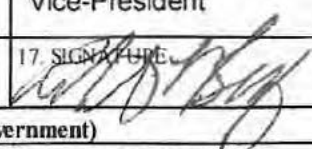


SOLICITATION, OFFER AND AWARD				1 THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)		RATING DO-A3		PAGE OF PAGES 1 66			
2 CONTRACT NO N00024-14-D-4213		3 SOLICITATION NO N00024-12-R-4211		4 TYPE OF SOLICITATION [] SEALED BID (IFB) [X] NEGOTIATED (RFP)		5 DATE ISSUED 24 May 2012		6 REQUISITION/PURCHASE NO SEE SCHEDULE			
7 ISSUED BY NAVAL SEA SYSTEMS COMMAND (HQ) 1333 ISAAC HULL AVE SE WASHINGTON NAVY YARD DC 20376-2030 TEL: FAX:				CODE N00024		8 ADDRESS OFFER TO (If other than Item 7) See Item 7 TEL: FAX:					
NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder"											
SOLICITATION											
9. Sealed offers in original and _____ copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or if handcarried, in the depository located in _____ until <u>02:00 PM</u> local time <u>22 Aug 2012</u> (Hour) (Date)											
CAUTION - LATE Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52.215-1. All offers are subject to all terms and conditions contained in this solicitation.											
10 FOR INFORMATION CALL:		A NAME CARLOS A. TRIAY		B TELEPHONE (Include area code) (NO COLLECT CALLS) 202-781-4935			C. E-MAIL ADDRESS carlos.triay@navy.mil				
11. TABLE OF CONTENTS											
(X)	SEC.	DESCRIPTION		PAGE(S)	(X)	SEC.	DESCRIPTION		PAGE(S)		
PART I - THE SCHEDULE					PART II - CONTRACT CLAUSES						
X	A	SOLICITATION/ CONTRACT FORM		1 - 3	X	I	CONTRACT CLAUSES		53 - 65		
X	B	SUPPLIES OR SERVICES AND PRICES/ COSTS		4 - 11	PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS						
X	C	DESCRIPTION/ SPECS./ WORK STATEMENT		12 - 22	X	J	LIST OF ATTACHMENTS		66		
X	D	PACKAGING AND MARKING		23	PART IV - REPRESENTATIONS AND INSTRUCTIONS						
X	E	INSPECTION AND ACCEPTANCE		24 - 28		K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS				
X	F	DELIVERIES OR PERFORMANCE		29 - 32							
X	G	CONTRACT ADMINISTRATION DATA		33 - 38		L	INSTRS., CONDS., AND NOTICES TO OFFERORS				
X	H	SPECIAL CONTRACT REQUIREMENTS		39 - 52		M	EVALUATION FACTORS FOR AWARD				
OFFER (Must be fully completed by offeror)											
NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.											
12. In compliance with the above, the undersigned agrees, if this offer is accepted within _____ calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.											
13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 52.232-8)											
14. ACKNOWLEDGMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated):				AMENDMENT NO.		DATE		AMENDMENT NO.		DATE	
15A. NAME AND ADDRESS OF OFFEROR		CODE 6BGX3		FACILITY		16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)					
SOUTHERN RECYCLING, L.L.C. 902 JULIA STREET NEW ORLEANS LA 70113-0000											
15B. TELEPHONE NO (Include area code)			15C CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE <input type="checkbox"/>			17. SIGNATURE		18. OFFER DATE			
AWARD (To be completed by Government)											
19 ACCEPTED AS TO ITEMS NUMBERED			20 AMOUNT (b) (4)			21 ACCOUNTING AND APPROPRIATION					
22 AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304(c)() <input type="checkbox"/> 41 U.S.C. 253(c)()						23. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified)		ITEM			
24 ADMINISTERED BY (If other than Item 7) SUPSH P BATH 574 WASHINGTON STREET BATH ME 04530			CODE N62790			25 PAYMENT WILL BE MADE BY DFAS COLUMBUS CENTER, WEST ENTITLEMENT P.O. BOX 182381 COLUMBUS OH 43218-2381		CODE HQ0339			
26. NAME OF CONTRACTING OFFICER (Type or print) TIMOTHY A. STARKER TEL: 202-781-3944 EMAIL: timothy.starker@navy.mil						27 UNITED STATES OF AMERICA <i>Timothy A. Starker</i> (Signature of Contracting Officer)		28 AWARD DATE 13-Jun-2014			
IMPORTANT - Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.											

SOLICITATION, OFFER AND AWARD			1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)		RATING DO-A3	PAGE OF PAGES 1 110		
2. CONTRACT NO.		3. SOLICITATION NO. N00024-12-R-4211		4. TYPE OF SOLICITATION <input type="checkbox"/> 1 SEALED BID (IFB) <input checked="" type="checkbox"/> X NEGOTIATED (RFP)	5. DATE ISSUED 24 May 2012	6. REQUISITION/PURCHASE NO. N0002412NR54008		
7. ISSUED BY NAVAL SEA SYSTEMS COMMAND (HQ) 1333 ISAAC HULL AVE SE WASHINGTON NAVY YARD DC 20376-2030 CODE N00024 TEL: FAX:				8. ADDRESS OFFER TO (If other than Item 7) See Item 7 CODE TEL: FAX:				
NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder"								
SOLICITATION								
9. Sealed offers in original and <u>3</u> copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or if handcarried, in the depository located in _____ until <u>23 July 2012</u> local time <u>1400 EDT</u> (Hour) (Date)								
CAUTION - LATE Submissions, Modifications, and Withdrawals. See Section I, Provision No. 52.214-7 or 52.215-1. All offers are subject to all terms and conditions contained in this solicitation.								
10. FOR INFORMATION CALL:		A. NAME CARLOS A. TRIAY		B. TELEPHONE (Include area code) (NO COLLECT CALLS) 202-781-4935		C. E-MAIL ADDRESS carlos.triay@navy.mil		
11. TABLE OF CONTENTS								
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X B	SUPPLIES OR SERVICES AND PRICES/COSTS			4 - 7	PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS			
X C	DESCRIPTION/SPECS/WORK STATEMENT			8 - 18	X J	LIST OF ATTACHMENTS		
X D	PACKAGING AND MARKING			19	PART IV - REPRESENTATIONS AND INSTRUCTIONS			
X E	INSPECTION AND ACCEPTANCE			20 - 23	X K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS		
X F	DELIVERIES OR PERFORMANCE			24 - 27	X L	INSTRS. CONDS. AND NOTICES TO OFFERORS		
X G	CONTRACT ADMINISTRATION DATA			28 - 33	X M	EVALUATION FACTORS FOR AWARD		
X H	SPECIAL CONTRACT REQUIREMENTS			34 - 47				
OFFER (Must be fully completed by offeror)								
NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16. Minimum Bid Acceptance Period								
12. In compliance with the above, the undersigned agrees, if this offer is accepted within <u>365</u> calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.								
13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 52.232-8)								
14. ACKNOWLEDGMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated):				AMENDMENT NO.		DATE		
				N0002412R4211J1		24 May 2012		
				N0002412R4211J6		24 May 2012		
				AMENDMENT NO.		DATE		
				N0002412R4211000112R4211 A0001		20 June 2012		
15A. NAME AND ADDRESS OF OFFEROR		CODE 6BGX3		FACILITY Y ISL, LLC		16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print) Robert Berry Vice-President		
15B. TELEPHONE NO (include area code) (956) 831-2299		<input type="checkbox"/> 15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE		17. SIGNATURE 		18. OFFER DATE 08/22/2012		
AWARD (To be completed by Government)								
19. ACCEPTED AS TO ITEMS NUMBERED			20. AMOUNT		21. ACCOUNTING AND APPROPRIATION			
22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304(c) <input type="checkbox"/> 41 U.S.C. 253(c)					23. SUBMIT INVOICES TO ADDRESS SHOWN IN ITEM (4 copies unless otherwise specified)			
24. ADMINISTERED BY (If other than Item 7) CODE					25. PAYMENT WILL BE MADE BY CODE			
26. NAME OF CONTRACTING OFFICER (Type or print) TEL: EMAIL:					27. UNITED STATES OF AMERICA (Signature of Contracting Officer)		28. AWARD DATE	

IMPORTANT - Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.

Section A - Solicitation/Contract Form

EXECUTIVE SUMMARYCV 59/63 Class Aircraft Carrier Towing, Dismantling and Recycling
Request for Proposal
N00024-12-R-4211

This Executive Summary is provided for informational purposes only and does not in any way modify or change the terms and conditions of the Request for Proposal (RFP).

Program Description.

This procurement is for the preparation and tow of multiple CV 59/63 Class Aircraft Carriers from Navy inactive ship facilities in Philadelphia, PA, Newport, RI and Bremerton, WA to the Contractor's facility in conformance with the U.S. Navy Tow Manual, complete dismantling of the vessels in the United States, removal and disposal of hazardous materials/wastes in accordance with applicable Federal, State, and local laws and regulations, and processing and sale of scrap and reusable equipment/material. Ownership of the vessels remain with the United States Navy until completely dismantled. It is anticipated that up to three contracts may be awarded and each contract shall be a five-year Indefinite Delivery/Indefinite Quantity contract with Firm Fixed Price Delivery Orders. The Contractor shall retain the proceeds of the sale of scrap and reusable equipment/material to offset its costs of performance. The estimated proceeds from the sale of the scrap and reusable equipment/material shall be factored into the price proposed to the Government. The hull and all portions of the structure of the vessels shall be demilitarized by reduction to scrap. Any and all weapons systems and communications equipment remaining on the vessels shall be demilitarized by complete destruction. The work shall be done at a facility with a Defense Security Services (DSS) security clearance at the CONFIDENTIAL level at minimum. The facility shall have such security clearance, or it shall be obtained, prior to Contract Award. Key personnel shall be U.S. citizens and shall have or obtain security clearances at the CONFIDENTIAL level at minimum prior to Contract Award.

The vessels immediately available for dismantling include:

Ex-FORRESTAL (AVT 59) located at INACTSHIPMAINTO Philadelphia, PA

Ex-SARATOGA (CV 60) located at Naval Station, Newport, RI

Ex-CONSTELLATION (CV 64) located at INACTSHIPMAINTO Bremerton, WA

Following Contract Award(s), all other employees, subcontractors, and other persons shall be U.S. citizens prior to obtaining access to the vessels and/or the area of the facility where the vessels will be dismantled. Any individuals with access to the third deck and below, or removed sections of the third deck and below before complete dismantling, shall possess individual security clearances at CONFIDENTIAL level at minimum. CV 59/63 Class Aircraft Carriers contain classified structure that will be demilitarized during the dismantling process. Therefore, the Contractor shall have facility controls in place to prevent physical access to the vessels and the area of the facility by non-US citizens or unauthorized persons. In dismantling these vessels, internal compartments, arrangements, and details of the vessels below the third deck shall not be observable by non-U.S. citizens or unauthorized persons. Access to any part of the vessels by non-U.S. citizens, or to areas at or below the third deck by unauthorized persons, or persons without a confidential security clearance, is prohibited. The Facility Security Officer (FSO) noted in section C-2.2.1.3 below shall maintain a current 100% listing of all persons having authorized access to the facility and the vessels.

Personal security clearances at the CONFIDENTIAL level are needed for pre-proposal inspection of the vessels at the third deck and below. However, no security clearance is necessary to inspect the vessels at the second deck and above. **Offerors shall inspect each of the three aircraft carriers immediately available for dismantling, and rely solely on their own inspections in determining the location of, and the method and extent of hazardous material removal and disposal required under applicable laws and regulations. The Government explicitly does not warrant that the data provided represents a complete and accurate depiction of the location and extent of all hazardous materials.**

This solicitation is an unrestricted full and open competition

SPECIAL NOTICE TO OFFERORS; AVAILABILITY AND USE OF DRAWINGS AND DATA

SOLICITATION: N00024-12-R-4211

PROGRAM: CV 59/63 Class Aircraft Carrier Towing, Dismantling and Recycling

For this solicitation package to be complete, Offerors will be provided the opportunity to access declassified general arrangement drawings for one or more of the aircraft carriers to be scrapped, Inactive Ship on-site Maintenance Office (INACTSHIPMAINTO) reporting letters with enclosures, pre-tow preparations accomplished by the government, and other available vessel specific documents. The drawings and data will be posted on the PMS 333 website address at www.navsea.navy.mil/teamships/inactiveships/Ship_Disposal.

Notice: A bid Guarantee is required with the submission of an offer; see Section H Clause 52.228-1, and the SF24 provided as an attachment to the RFP. The failure to furnish a bid guarantee in the proper form and amount with the submission of an offer may be grounds for rejection of the offer.

Section B - Supplies or Services and Prices

ITEM NO	SUPPLIES/SERVICES	MAX QUANTITY	UNIT	UNIT PRICE	MAX AMOUNT
CLIN Number 0001		1	Each	(b) (4)	(b) (4)
	Towing and dismantling of one CV 59/63 FFP Prepare for and accomplish the tow of the ex-FORRESTAL (AVT 59) from the government's location in Philadelphia, PA to the Contractor's location in the United States. Prepare for and accomplish complete vessel dismantling, hazardous material removals and disposal, and processing and sale of scrap and reusable equipment/material. FOB: Destination				
				MAX NET AMT	(b) (4)

ITEM NO	SUPPLIES/SERVICES	MAX QUANTITY	UNIT	UNIT PRICE	MAX AMOUNT
CLIN Number 0002		1	Each	(b) (4)	(b) (4)

Towing and dismantling of one CV 59/63
FFP

Prepare for and accomplish the tow of the ex-SARATOGA (CV 60) from the government's location in Newport, RI to the Contractor's location in the United States. Prepare for and accomplish complete vessel dismantling, hazardous material removals and disposal, and processing and sale of scrap and reusable equipment/material.

FOB: Destination

MAX
NET AMT

(b) (4)

ITEM NO	SUPPLIES/SERVICES	MAX QUANTITY	UNIT	UNIT PRICE	MAX AMOUNT
CLIN Number 0003		1	Each	\$3,000,000.00	\$3,000,000.00

Towing and dismantling of one CV 59/63
FFP

Prepare for and accomplish the tow of the ex-CONSTELLATION (CV 64) from the government's location in Bremerton, WA to the Contractor's location in the United States. Prepare for and accomplish complete vessel dismantling, hazardous material removals and disposal, and processing and sale of scrap and reusable equipment/material.

FOB: Destination

PURCHASE REQUEST NUMBER: 1300427446

MAX
NET AMT

\$3,000,000.00

ITEM NO	SUPPLIES/SERVICES	MAX QUANTITY UNDEFINED	UNIT Lot	UNIT PRICE	MAX AMOUNT NSP
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DATA ITEMS

FFP

Data for Items 0001, 0002 and 0003 (See Contract Data Requirements List (CDRL) attached hereto). Not separately priced (NSP). Price included in items 0001, 0002 and 0003.

FOB: Destination

PURCHASE REQUEST NUMBER: N0002412NR54008

MAX
NET AMT

\$0.00

ITEM NO	SUPPLIES/SERVICES	MAX QUANTITY	UNIT	UNIT PRICE	MAX AMOUNT
CLIN Number 0005		1	Each	UNDEFINED	\$0.00 TBN

OPTION Towing and dismantling of one CV 59/63
FFP
Prepare for and accomplish the tow of one CV 59/63 from the government's location in Philadelphia, PA to the Contractor's location in the United States. Prepare for and accomplish complete vessel dismantling, hazardous material removals and disposal, and processing and sale of scrap and reusable equipment/material.
FOB: Destination

MAX NET AMT	\$0.00
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ITEM NO	SUPPLIES/SERVICES	MAX QUANTITY	UNIT	UNIT PRICE	MAX AMOUNT
CLIN Number 0006		1	Each	UNDEFINED	\$0.00 TBN

OPTION Towing and dismantling of one CV 59/63
FFP
Prepare for and accomplish the tow of one CV 59/63 from the government's location in Bremerton, WA to the Contractor's location in the United States. Prepare for and accomplish complete vessel dismantling, hazardous material removals and disposal, and processing and sale of scrap and reusable equipment/material.
FOB: Destination

MAX NET AMT	\$0.00
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ITEM NO	SUPPLIES/SERVICES	MAX QUANTITY	UNIT	UNIT PRICE	MAX AMOUNT
CLIN Number 0007		UNDEFINED	Lot		NSP

DATA ITEMS

FFP

Data for Items 0005 and 0006 (See Contract Data Requirements List (CDRL) attached hereto). Not separately priced (NSP). Price included in Item 0005 and 0006.

FOB: Destination

MAX NET AMT	\$0.00
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CONTRACT MINIMUM/MAXIMUM QUANTITY AND CONTRACT VALUE

The minimum quantity and contract value for all orders issued against this contract shall not be less than the minimum quantity and contract value stated in the following table. The maximum quantity and contract value for all orders issued against this contract shall not exceed the maximum quantity and contract value stated in the following table.

MINIMUM QUANTITY	MINIMUM AMOUNT	MAXIMUM QUANTITY	MAXIMUM AMOUNT
0.00	\$0.00	7.00	\$30,000,000.00

DELIVERY/TASK ORDER MINIMUM/MAXIMUM QUANTITY AND ORDER VALUE

The minimum quantity and order value for each Delivery/Task Order issued shall not be less than the minimum quantity and order value stated in the following table. The maximum quantity and order value for each Delivery/Task Order issued shall not exceed the maximum quantity and order value stated in the following table.

MINIMUM QUANTITY	MINIMUM AMOUNT	MAXIMUM QUANTITY	MAXIMUM AMOUNT
0.00	\$0.00	1.00	\$15,000,000.00

CLIN DELIVERY/TASK ORDER MINIMUM/MAXIMUM QUANTITY AND CLIN ORDER VALUE

The minimum quantity and order value for the given Delivery/Task Order issued for this CLIN shall not be less than the minimum quantity and order value stated in the following table. The maximum quantity and order value for the given Delivery/Task Order issued for this CLIN shall not exceed the maximum quantity and order value stated in the following table.

CLIN	MINIMUM QUANTITY	MINIMUM AMOUNT	MAXIMUM QUANTITY	MAXIMUM AMOUNT
0001		\$		\$
0002		\$		\$
0003		\$		\$
0004		\$		\$
0005		\$		\$
0006		\$		\$
0007		\$		\$

SUPPLIES OR SERVICES AND PRICE

The Contractor shall furnish the Items in Section B when ordered by the Contracting Officer in accordance with the terms and conditions set forth in this Contract. Offerors shall propose a separate Firm Fixed Price for each of CLINs 0001, 0002 and 0003. The firm fixed price represents the net cost of performance, which factors in anticipated proceeds from the sale of scrap and reusable equipment/material for each CLIN as proposed/awarded. Prices for follow-on delivery orders, including corresponding towing, will be proposed by successful offerors when new delivery orders are solicited.

All scrap or reusable equipment/material removed from the vessels is required to be sold or disposed of no later than 90 days after completion of dismantling of each vessel. Estimated proceeds from sales should be factored into the price proposed to the Government. The Contractor shall use the sale proceeds to offset the cost of work performed under this Contract. The vessels shall be dismantled in the United States.

OFFERORS' INSPECTION OF EACH VESSEL OFFERED IN CLINS 0001, 0002 AND 0003 IS MANDATORY. EACH AUTHORIZED REPRESENTATIVE OF THE OFFEROR SHALL SIGN IN WITH THE INACTSHIPMAINTO REPRESENTATIVE AT THE TIME OF INSPECTION. OFFERORS WHO DO NOT INSPECT EACH VESSEL PRIOR TO SUBMISSION OF A PRICE PROPOSAL IN RESPONSE TO THIS RFP WILL BE CONSIDERED NON-RESPONSIVE AND WILL NOT BE

CONSIDERED FOR AWARD OF ANY VESSEL. SECURITY CLEARANCES AT THE CONFIDENTIAL LEVEL ARE REQUIRED FOR PRE-PROPOSAL INSPECTION OF THE AIRCRAFT CARRIERS AT THE THIRD DECK AND BELOW. SECURITY CLEARANCES ARE NOT REQUIRED FOR PRE-PROPOSAL INSPECTION OF THE AIRCRAFT CARRIERS AT THE SECOND DECK AND ABOVE.

Ex-FORRESTAL (AVT-59) is physically located at the Inactive Ships on-site Maintenance Office (INACTSHIPMAINTO), Philadelphia, PA and ex-SARATOGA (CV 60) is physically located at the Naval Station, Newport, RI under INACTSHIPMAINTO Philadelphia custody. The INACTSHIPMAINTO Philadelphia point of contact is Tom Deegan, (215) 897-5086, tom.deegan@navy.mil.

Ex- CONSTELLATION (CV 64) is physically located at INACTSHIPMAINTO Bremerton. The INACTSHIPMAINTO Bremerton point of contact is Ray Porter, (360) 476-3510, raymond.porter@navy.mil.

Offerors shall contact INACTSHIPMAINTO Philadelphia and Bremerton to arrange for vessel inspections at least five days in advance of the desired date. Offerors may obtain non-destructive environmental samples as necessary, consistent with INACTSHIPMAINTO procedures for the maintenance of vessels onboard hazardous materials.

The Government reserves the right to make awards based upon the funds available.

The Contractor shall own or have access to a facility with security clearance at the CONFIDENTIAL level at minimum, obtained from the Defense Security Service (DSS) prior to Contract Award. If the Contractor does not own or have access to a facility with security clearance at the CONFIDENTIAL level at minimum, the facility security clearance shall be obtained from the Defense Security Services (DSS). Key personnel shall be U.S. citizens and shall have or obtain security clearances at the CONFIDENTIAL level at minimum prior to Contract Award. Following Contract Award, all other employees, subcontractors, and other persons shall be U.S. citizens prior to obtaining access to the vessels and/or the area of the facility where the vessels will be dismantled. Any individuals with access the third deck and below, or removed sections of the third deck and below before complete dismantling, shall possess individual security clearances at CONFIDENTIAL level at minimum. If necessary, following evaluation and determination of Apparent Awardees, NAVSEA will sponsor the Apparent Awardees to DSS to apply for the necessary facility and key personnel security clearances.

All costs associated with meeting the requirements for, and obtaining, such security clearances shall be borne solely by the Apparent Awardees.

CLAUSES INCORPORATED BY FULL TEXT

CONTRACT SUMMARY FOR PAYMENT OFFICE (FIXED PRICE) (FEB 1997)

The entire Indefinite-Delivery/Indefinite-Quantity Contracts and delivery orders awarded thereunder are for firm fixed price Delivery Orders. Data requirements are not separately priced. Costs will be included within the priced line items. The Firm Fixed Price for each of CLINs 0001, 0002 and 0003, and follow-on delivery orders, represents the net cost of performance for each CLIN, and factors in anticipated proceeds retained by the Contractor from the sale of scrap and reusable equipment/material.

CLAUSES INCORPORATED BY FULL TEXT

EXPEDITING CONTRACT CLOSEOUT (NAVSEA) (DEC 1995)

(a) As part of the negotiated fixed price or total estimated amount of this contract, both the Government and the Contractor have agreed to waive any entitlement that otherwise might accrue to either party in any residual dollar amount of \$500 or less at the time of final contract closeout. The term "residual dollar amount" shall include all money that would otherwise be owed to either party at the end of the contract, except that, amounts connected in any way with taxation, allegations of fraud and/or antitrust violations shall be excluded. For purposes of determining residual dollar amounts, offsets of money owed by one party against money that would otherwise be paid by that party may be considered to the extent permitted by law.

(b) This agreement to waive entitlement to residual dollar amounts has been considered by both parties. It is agreed that the administrative costs for either party associated with collecting such small dollar amounts could exceed the amount to be recovered.

Section C - Descriptions and Specifications

Section C - Descriptions and Specifications

STATEMENT OF WORK

PART 1: LINE ITEM DESCRIPTION AND GENERAL SCOPE OF WORK

PART 2: ADDITIONAL REQUIREMENTS

PART 3: GENERAL REQUIREMENTS

PART 1 – CONTRACT LINE ITEM DESCRIPTION AND GENERAL SCOPE OF WORK**C-1.1 CLIN DESCRIPTION.**

CLINS 0001, 0002and 0003. In accordance with the Section C Statement of Work: The Contractor shall prepare for and tow the CV 59/63 Class aircraft carrier from the INACTSHIPMAINTO location to the Contractor's facility in the U.S. in conformance with the U.S. Navy Tow Manual. The Contractor shall complete the dismantling of the vessel in a secure facility in the United States, and remove and properly dispose of hazardous materials/wastes in accordance with applicable Federal, State, and local laws and regulations. The Contractor shall process and sell all scrap and reusable equipment/material removed from the vessel and shall retain the sale proceeds to offset its costs of performance. The Contractor shall ensure the stability of the vessel during the tow and dismantlement.

CLIN 0004. The Contractor shall prepare and submit all data requirements in accordance with the Contracts Data Requirements List (CDRL) and the Section C Statement of Work.

C-1.2 SCOPE OF WORK. The Contractor shall furnish the items specified in Section B of the Schedule in accordance with this Section and the requirements set forth in delivery orders issued by the Contracting Officer in accordance with the Section H clause entitled "Orders." The Contractor shall provide all personnel, equipment, tools, vehicles, materials, facilities, supervision, and other industrial equipment and services necessary to meet the requirements of this Contract and perform the scope of work described, in a manner which is safe for workers and the environment, and complies with all applicable Federal, State and local laws and regulations. The Contractor shall provide evidence of continued availability of such facilities for the duration of the Contract period of performance by ownership, existing lease, or letter from the facility owners indicating a statement of intent to utilize such facilities for scrapping operations, as well as evidence that site specific permits are currently in effect or can be obtained prior to the start of subject Contract. The facility shall possess a minimum clearance level of CONFIDENTIAL prior to contract award.

The scope of work for dismantling and disposal of the vessel includes:

- Towing the vessel in conformance with the U.S. Navy Tow Manual, Appendix H, www.supsalv.org
- Dismantling of the vessel:
 - Establishing a schedule
 - Utilizing dry-dock, slip, or other method
 - Demilitarizing residual military equipment and property
 - Stripping of unique Government Property, if required
 - Completely scrapping the hull
- Hazardous material/waste removal and disposal
- Sale of scrap and reusable equipment/material

All work performed under this Contract shall be in compliance with applicable Federal, State, and Local laws and regulations. The Contractor shall have all valid permits and licenses necessary prior to performing the associated scope of work. The Contractor shall maintain valid permits and licenses throughout the period of performance of this Contract.

C-1.3 TOWING. The Contractor shall provide harbor clearance, ocean engineering and point-to-point towing services to ensure safe transport of the vessel from existing vessel location to the Contractor's facility in the U.S. for complete dismantling. The Contractor shall prepare and accomplish the towing of the vessel in conformance with the U.S. Navy Tow Manual SL740-AA-MAN-010 (<http://www.supsalv.org/pdf/towman.pdf>) using Appendix H for guidance. The towing vessel shall have a minimum bollard pull of 80 tons, tow wire of Extra Improved Plow Steel (EIPS) 2 1/4" or higher, preferred break strength of 660,000 lbs. The Contractor shall provide a written tow plan for the vessel in accordance with CDRL A001 at least 30 days prior to the proposed tow date. The tow plan shall be prepared by or approved by a reputable towing company with the capability of towing a CV 59/63 Class aircraft carrier. The Contractor shall notify the Contracting Officer within five (5) working days of the projected completion of towing preparations, so that an inspection can be conducted by the NAVSEA towing technical authority prior to the tow departure date. The Government shall not assume liability associated with delay of the Contractor's proposed tow date if the written tow plan is not provided in accordance with CDRL A001 at least 30 days prior to the proposed towing date, or if the Contractor fails to correct, prior to the Contractor's proposed towing date, any tow plan or tow preparation deficiencies identified by the NAVSEA towing technical authority.

C-1.4 DISMANTLING OF THE VESSEL. The Contractor shall completely dismantle the vessel in Section B of this RFP identified by delivery order in accordance with the requirements stated in this RFP.

C-1.5 SCHEDULE. The Contractor shall develop and implement a detailed schedule, including measurable milestones, to accomplish the Statement of Work. The Contractor's schedule for each of CLINs 0001, 0002 and 0003 as proposed shall be incorporated into the Contract as attachment J-3. Schedules for additional CV's for dismantling under CLINs 0001 through 0003 will be proposed by the Contractor when requested by the Contracting Officer for subsequent delivery orders. The schedule will include planned start and completion dates and a timeline for each phase of the dismantling, hazardous material removal and disposal in accordance with CDRL A002, including but not limited to, all tasks required for vessel dismantling including towing, demilitarization of residual military equipment and property, identification and safe removal & disposal of hazardous materials/wastes, vessel dismantling, scrap processing, and sale and shipment of scrap and reusable equipment/material. The schedule shall be used as the baseline schedule in developing the status and contract performance reports required in C-2.3.

C-1.6 DRY-DOCK, SLIP, OR OTHER METHOD. The Contractor shall implement plans, as described in the Operational Plan in [See Section C-1.9 below], for using dry-dock, slip or other method for dismantling the underwater hull in an environmentally safe manner. The plans shall include methods for ensuring vessel stability during the cutting process, final dismantlement of underwater hull, and measures to prevent flooding or sinking. In addition, plans shall include measures for preventing cutting slag and other contaminants from entering the water.

C-1.7 COMPLETE DISMANTLEMENT AND DEMILITARIZATION OF THE VESSEL. The Contractor shall completely dismantle and scrap all portions of the vessel structure. This will include the removal from the vessel, without replacement of all hull, inner bottom, bulkhead, deck and superstructure materials, as well as all between decks, longitudinal and transverse girders and frames, their associated webs, and floors. The term "hull" means the framework, including the keelsons, together with all decks and between decks, superstructures, tanks, inner & shell plating and bulkheads, but exclusive of main or auxiliary machinery, outfitings & furnishings and other auxiliary equipment. The term "scrap" means to reduce the property such that it has no value except for its basic material content. Final dismantlement and mutilation of the vessel shall be performed in such a manner that no considerable part of the vessel is left intact or undisturbed to the extent that it could be reconstructed or readily identified as an existing portion of the original hull or superstructure. Further, the hull and all portions of structure of the vessel at the third deck and below shall be reduced to scrap dimensions not exceeding five (5) feet. Upon completion of the Contract, the Contractor shall certify that the hull, and the equipment described herein, has been demilitarized in accordance with the requirements of C-1.7, C-1.8, and CDRL A003.

In addition to the requirement of reduced scrap having no single dimensions to exceed five (5) feet, for the region of the vessel from the third deck to the bottom plating and in board of the shell from frame 29 to frame 215, these additional scrapping requirements shall be imposed:

Removal and reduction to no greater than five (5) feet of any single dimension for all plating associated with transverse and longitudinal members, decks, between decks and bulkheads.

Removal of all markings from all plating.

Removal and reduction to no greater than five (5) feet of any single dimension for the innermost longitudinal bulkhead from the shell shall have all vertical stiffeners removed from the plating and vertical stiffeners themselves will be further reduced by cutting away the flanges from the web of each stiffener.

Removal and reduction to no greater than five (5) feet of any single dimension for all 3rd deck hatches, and the doors leading into the steering gear rooms, shall be fully destroyed by cutting into sections, removing hinges, and securing mechanisms such that remaining plate is not recognizable as a functional device.

C-1.8 DEMILITARIZATION OF RESIDUAL EQUIPMENT/SYSTEMS. The Contractor shall ensure that any and all weapons systems and communications equipment remaining onboard the vessel, such as guided missile launching systems, mounts and fire control systems, sonar domes, transducers and associated equipment, torpedo tubes, ASROC launchers, antennas, radar reflective material, wave guides and any other weapon systems are further and totally destroyed by melting, cutting, tearing, scratching, crushing or breaking the item and components. Sale or donation of this equipment for continued use is prohibited. Final dismantlement and mutilation as described above, and in C-1.7, will constitute demilitarization of the hull and required equipment. Upon completion of the Contract, the Contractor shall certify that the hull, and the equipment described herein, has been demilitarized in accordance with the requirements of C-1.7, C-1.8, and CDRL A003.

C-1.9 OPERATIONAL PLAN. The Contractor shall develop and implement a detailed Operational Plan for towing and dismantling the vessel, removing, and disposing hazardous materials/wastes, and sale of scrap and reusable items. This plan will be incorporated into the Contract as attachment J-2. The plan shall ensure compliance with the special security requirements in this Statement of Work and shall include measures to address any procedures and techniques to be used. In addition, the plan shall include measures to prevent flooding or sinking, including procedures for maintaining list, trim and stability while dismantling, environmental remediation, and recycling operations are being accomplished, and during the towing of the vessel, security throughout the performance period, and the prevention of cutting slag and other contaminants from entering the water.

C-1.10 REGULATED AND HAZARDOUS MATERIALS/WASTES REMOVAL AND DISPOSAL. The Contractor is responsible for all steps necessary to remove and dispose of all hazardous and regulated materials/wastes in compliance with all Federal, State, and local laws and regulations. Additionally, the Contractor is required to implement an effective Environmental Management Plan (EMP) described in the Contractor's proposal and incorporated in the Contract under attachment J-4. The plan should incorporate any pertinent information addressed in Environmental and Safety Information: Instructions, Terms and Conditions under attachment J-6. The Contractor shall provide the Government with legible copies of all hazardous and non-hazardous materials/wastes manifests, bills of lading, and all other waste shipping documents as part of the Final Project Report (CDRL A007). Upon completion of the work, the Contractor shall certify, in writing, that the Contractor has accomplished all hazardous material removal and regulated hazardous waste removal and disposal in compliance with all Federal, State, and local laws & regulations and in accordance with the requirements of CDRL A004.

C-1.11 ENVIRONMENTAL CONTROLS. The Contractor shall operate and maintain its facility in a manner that complies with all Federal, State, and Local environmental laws, regulations and instructions. The Contractor shall be responsible for obtaining all necessary licenses and permits, accomplishing all notification and manifesting requirements, complying with any applicable Federal, State, and Local laws and regulations, and taking any necessary corrective actions resulting from work performed under this Contract. Upon the Government's request, the Contractor will provide copies of licenses and permits to the Government. The Contractor shall use only transporters and treatment, storage, and disposal facilities with valid permits. The Government will not be a co-permittee on any permits obtained by the Contractor or a co-generator of any waste material. In the event environmental laws or regulations change during the term of this Contract, the Contractor is required to comply as

such laws or regulations come into effect. If there is an increase or decrease in cost as a result of the change, the Contractor shall inform the Administrative Contracting Officer (ACO) pursuant to notice requirements of FAR 52.243-7, "Notification of Changes."

The Contractor shall provide the ACO with copies of all correspondence with Federal, State, or local regulatory agencies relating to this Contract within 24 hours of receipt in accordance with the requirements of CDRL A005. This shall include but not be limited to: Immediate notification of any regulatory agency inspection conducted, Contractor summarization of the regulatory agency inspection and results, and immediate notification of any Notice of Violations, citations, or cautionary notices received from regulators during the reporting period, relating to the performance of this Contract.

C-1.11.1 Environmental Inspections. The Contractor's workspace may be inspected periodically by Federal, State or local regulatory inspectors for regulatory compliance. Correction of violations shall be the responsibility of the Contractor. The Contractor shall provide assistance as requested by Federal, State, and local regulatory inspectors.

C-1.11.2. Spill and Incident Reporting. The Contractor shall record and immediately report to the ACO, all available facts relating to a regulatory agency reportable spill or incident in accordance with CDRL A006.

C-1.12 SAFETY AND HEALTH PROGRAM. All work shall be conducted in a safe manner and shall comply with all requirements specified throughout the Contract and applicable Federal, State, and local laws & regulations. The Contractor shall furnish all safety equipment in accordance with Federal, State, and local laws and regulations. The Contractor shall implement the **Safety and Health Management Plan**, described in the Contractor's proposal and incorporated into the Contract as attachment J-5, in compliance with applicable Federal, State, and local laws and regulations. The plan shall provide for the safe work environment of Contractor Personnel and ensure protection of Government property. All subcontractors shall comply with the Contractor's Safety and Health Management Plan. In the event of an accident/mishap, the Contractor shall take reasonable and prudent action to establish control of the accident/mishap scene, prevent further damage to persons or property, and preserve evidence until released by the accident/mishap investigative authority.

The Contractor shall provide the ACO with copies of all correspondence with Federal, State, or local regulatory agencies relating to this Contract in accordance with the requirements of CDRL A005. This shall include but not be limited to: Immediate notification of any regulatory agency inspection or visit conducted and Contractor summarization of the regulatory agency inspection and results, of any Notice of Violations, citations, or cautionary notices received from regulators relating to the performance of this Contract.

The Contractor's workspace may be inspected periodically by Federal, State or local regulatory inspectors for regulatory compliance. Correction of violations shall be the responsibility of the Contractor. The Contractor shall provide assistance as requested by Federal, State, and local regulatory inspectors.

C-1.12.1 Safety Administration. Prior to commencing work, the Contractor shall meet in conference with the Administrative Contracting Officer (ACO) and the Program Office (PMS 333) to discuss and develop an understanding of the administration of their Safety and Health Management Plan.

C-1.12.2 Safety Inspections. The Contractor's workspace may be inspected periodically for regulatory compliance. Correction of violations shall be the responsibility of the Contractor. The Contractor will provide assistance to Federal and State regulatory inspectors.

C-1.12.3 Accident and Injury Reporting. The Contractor shall record and immediately report to the ACO, all available facts relating to injury to either Contractor or Government personnel or each instance of damage to Government property in accordance with CDRL A006. The Contractor shall provide the ACO with a copy of any report to a regulatory agency of accidents or incidents that occur during the performance of this Contract, and copies of the OSHA 300 Log as part of the Final Project Report (CDRL A007).

C-1.13 SALE OF SCRAP AND REUSABLE EQUIPMENT/MATERIAL. The Contractor is required to sell or dispose of any scrap and reusable equipment/material removed from the ship no later than 90 days after completion of dismantling of the ship. The Contractor shall report the quantity of scrap and reusable equipment/material recovered for resale in the Contract Performance Report (C-2.3.2) in accordance with the requirements of CDRL A007 and A008. The Contractor shall retain the proceeds from the sale of the scrap and reusable equipment/material from the vessel being dismantled in accordance with 10 U.S.C. § 7305a and shall apply them to the cost of performance of the contract.

PART 2 – ADDITIONAL REQUIREMENTS

C-2.1 SECURITY

C-2.1.1 Facility Security Requirements. The Contractor shall own or have access to a facility that meets the applicable requirements of the National Industrial Security Program Operating Manual (DoD 5220.22-M), including but not limited to, physical and visual security fencing, waterside security measures, 24-hour security protection, and special security and procedural requirements as outlined below.

The Contractor shall own or have access to a facility with security clearance at the CONFIDENTIAL level at minimum, obtained as necessary from the Defense Security Services (DSS) prior to Contract Award. Key personnel shall be U.S. citizens and shall have or obtain security clearances at the CONFIDENTIAL level at minimum prior to Contract Award. Following award, all other employees, subcontractors, and other persons shall be U.S. citizens prior to obtaining access to the vessel and/or the area of the facility where the vessel will be dismantled. Any individuals to access the third deck and below, or removed sections of the third deck and below before complete dismantling, shall possess individual security clearances at CONFIDENTIAL level at minimum. Once dismantling on the third deck and/or below commences, or any secured hatch on the third deck and/or below is planned to be opened, all individuals which have access to the third deck and below, or removed sections of the third deck and below before complete dismantling, shall possess individual security clearances at CONFIDENTIAL level at minimum. If necessary, following evaluation and determination of award(s), NAVSEA will sponsor the Apparent Awardees to DSS to apply for the necessary security clearances. **All costs associated with meeting the requirements for, and obtaining, such security clearances shall be borne solely by the Apparent Awardee.**

The CV 59/63 Class aircraft carriers contain classified structure that will be demilitarized during the dismantling process. Therefore, the Contractor shall have facility controls in place to prevent physical access to the vessel and the area of the facility by non-US citizens or unauthorized persons. In dismantling the vessel, internal compartments, arrangements, and details of the vessel below the third deck shall not be observable by non-U.S. citizens or unauthorized persons. Access to any part of the vessel by non-U.S. citizens, or to areas at or below the third deck by unauthorized persons, or persons without a confidential security clearance, is prohibited. The Facility Security Officer (FSO) noted in section C-2.2.1.3 below shall maintain a current 100% listing of all persons having authorized access to the facility and the vessel.

Unless approved in writing in advance by ACO, no imaging devices of any type (including camera equipped cellular telephones) shall be permitted inside the facility's control barriers. U.S. citizen-only regulatory agency personnel may enter the facility; however, imaging devices are not permitted. U.S. citizen-only regulatory agency personnel should register with the FSO upon Contract Award or earliest opportunity in order to facilitate unannounced regulatory inspections.

The Contractor shall establish a system of checks, inspections, surveys, and assessments to ensure facility physical security is maintained.

The Contractor shall provide and maintain written plans and operating procedures for all facility physical security programs submitted as part of the operational plan.

The Contractor shall notify the ACO of any changes at the Contractor's facility affecting the physical security within 24 hours in accordance with CDRL A009.

Upon Contract Award, the Contractor shall provide the ACO with the current 100% listing of all persons having authorized access to the facility and the vessel, along with validation of active status of individual CONFIDENTIAL security clearances in accordance with the requirements of CDRL A010. Changes to this listing shall be provided to the ACO within 24 hours.

C-2.1.2 Contractor Security Clearance Requirements. All Contractor and subcontract employees, consultants, and other persons with access to the vessel and/or the area of the facility where the vessel will be dismantled, shall be U.S. citizens. Any individuals to access the third deck and below, or removed sections of the third deck and below before complete dismantling shall possess individual security clearances at CONFIDENTIAL level at minimum, prior to obtaining such access and maintain it throughout the Contract period of performance.

C-2.1.3 Security Management Plan. The Contractor shall implement a Security Management Plan to meet the objective requirements stated in paragraphs C-2.1.1 and C-2.1.2 above, including how the Contractor will ensure that such Confidential security clearance for personnel and facility will be maintained throughout the Contract period of performance, physical facilities and the vessel is secure at all times, that the facility maintains a CONFIDENTIAL security clearance (DD Form 254) throughout the Contract period of performance, that procedures to prohibit photographic capability (i.e., photos, cell phones with photo capabilities, etc.) are established, that 24-hour security of all dismantlement facilities are maintained, and that authorized personnel are controlled throughout the period of performance. This plan shall be incorporated into the Contract as attachment J-7, Security Management Plan.

C-2.2 CONTRACTOR PERSONNEL. In addition to the Contractor security clearance requirements specified in section C-2.1.2, the Contractor shall employ qualified personnel who are capable of performing the requirements of the contract, including subcontractors and key personnel. Contractor personnel, including subcontractor personnel and consultants, shall be sufficient to accomplish the scope of work. In addition, the Contractor shall employ and maintain the appropriate personnel and organizational and administrative controls necessary to ensure that performance meets or exceeds all contract specification requirements hereunder.

C-2.2.1 Key Personnel. The Contractor shall provide the following full-time on-site key personnel in their management organization: Project Manager; Environmental, Safety & Health Manager(s); and Facility Security Officer (FSO). The replacement of any key personnel identified in the Contractor's technical proposal shall require approval by the Government. The key personnel shall be U.S. citizens and shall have or obtain individual security clearances at the Confidential level at minimum prior to contract award.

C-2.2.1.1 Project Manager. The Contractor shall provide a full-time on-site Project Manager responsible for the performance of work required under this statement of work. Additionally, the Project Manager is responsible for submitting all reports, as well as those called out in Section C-2.3 and CDRL A007 and CDRL A008. The Project Manager shall have the education and/or years of experience as a Project Manager of a similar project necessary to indicate the capability to perform the Project Manager responsibilities required under this Statement of Work. Desired Project Manager Qualifications are as follows:

B.S. in Engineering plus a five (5) years experience as a Project Manager of a similar project, or ten (10) years experience as a Project Manager of a similar project. Experience should be in a heavy industry marine activity related to vessel dismantling, construction, or repair.

C-2.2.1.2 Environmental, Safety & Health Manager. The Contractor shall provide a full-time on-site Environmental, Safety & Health (ES&H) Manager who will be responsible for all environmental and occupational safety matters pertaining to this Contract. The ES&H Manager will report directly to the Project Manager responsible for the performance of work required under this statement of work. The Contractor may provide no more than two separate personnel for this function if environmental and occupational safety & health responsibilities are to be shared by two people. The ES&H Manager shall have the education and/or years of experience as an ES&H Manager in a similar project necessary to indicate the capability to perform ES&H

Manager responsibilities required under this Statement of WorkDesired Environmental, Safety, & Health Manager Qualifications are as follows:

B.S. in Engineering, Environmental Sciences or Industrial Hygiene plus five (5) years experience as an Environmental and Safety and Health Manager, or ten (10) years experience as an Environmental and Safety and Health Manager. Experience should be in a heavy industry marine activity related to vessel dismantling, construction, or repair. If two persons are proposed, the desired Environmental Manager qualifications are a B.S. in Engineering or Environmental Sciences plus five (5) years experience as an Environmental Manager, or ten (10) years experience as an Environmental Manager; and the desired Safety & Health Manager qualifications are B.S. in Engineering or Industrial Hygiene plus five (5) years experience as a Safety and Health Manager, or ten (10) years experience as a Safety and Health Manager.

C-2.2.1.3 Facility Security Officer. The Contractor shall provide a full-time on-site Facility Security Officer (FSO) who shall be responsible for all security matters pertaining to this Contract, including being accountable for ensuring maintenance and compliance with DSS CONFIDENTIAL facility security requirements. The FSO shall also be responsible for ensuring that all Contractor and subcontract employees and consultants with access to the vessel and the area of the Contractor's facility where the vessel is being dismantled are U.S. citizens and possess active security clearances at minimum at the CONFIDENTIAL level throughout the performance of the contracted work. The FSO shall be DSS Academy certified prior to Contract Award. The FSO will report directly to the Project Manager responsible for the performance of work required under this statement of work. The FSO shall have the years of experience as an FSO at a contractor's facility performing work under a government contract necessary to indicate the capability to perform FSO responsibilities required under this Statement of Work. The desired Facility Security Officer Qualifications are as follows:

Five (5) years experience as a Facility Security Officer at a contractor's facility performing work under a government contract.

C-2.2.2 Contractor Employees. The Contractor shall ensure that all employees, subcontractors, consultants, or visitors are covered by valid certified professional Marine Chemists, Industrial Hygienists, Environmental, Safety and Health Specialists as necessary, before any work commences or continues under the contract and throughout duration of its performance.

C-2.2.3 Employee Training and Certification. The Contractor shall provide classroom and on-the-job training required to ensure all workers and subcontractors are ready for access to areas of abatement, remediation, environmental, dismantling and recycling work on the vessel or in the facility. The Contractor shall maintain all records on-site for training, certification, and clearances as applicable for all workers and subcontractors.

C-2.3 STATUS REPORTS.

C-2.3.1 Weekly Report. The Contractor shall provide a written weekly report in accordance with the requirements of CDRL A007 to the onsite Government representative and Administrative Contracting Officer (ACO) highlighting the Contractor's key work activities performed in the past week, work planned in the coming week, materials removed, any security violations, and any deviations from planned schedules and budgets. The Government reserves the right to reject weekly reports if inadequate information is provided and require resubmission of a report that meets the contract's requirements.

C-2.3.2 Contract Performance Reports. The Contractor shall provide written contract performance reports in accordance with the requirements of CDRL A008 at the 25%, 50%, 75% and 100% point based on contract schedule, inclusive of scrap processing and shipments. The Government reserves the right to reject the proposed cost reporting format if it does not provide equivalent information. The reports shall consist of a concise, executive level summary of all technical activities performed under the Contract during the reporting period. Specific areas of interest shall include difficulties encountered during the reporting period and corrective actions taken, an updated production schedule, and the Contractor's self-assessment of its compliance with its Operational Plan and Security

Plan, and with Federal, State and local laws and regulations. The reports shall include any changes of key personnel concerned with the project. The reports shall also address the following:

1. Progress achieved since the previous progress report including status of hazardous material removal and disposal, tonnage of scrap and equipment removed, and identification of the deck to which the vessel has been dismantled. Also, identify the percentage of completion of removal and dismantling work on each vessel.
2. Quantity and type of hazardous waste shipped for disposal during the contract work period.
3. Progress in correcting any deficiencies identified by Navy or regulatory agency inspections.
4. Notification of any regulatory agency inspection conducted, of any official notices of violation, citations, or cautions received from regulators during the contract work period. Also, notification of any other documentation relating to Federal, state, or local administrative or legal actions arising under or relating to the Contract.
5. Identification of problems relating to timely completion of the Contract.
6. Status of outstanding permits/licenses required for performance of the Contract and status of any existing permits/licenses due to expire within 90 days of the Progress Report.
7. Advance notice of commencement of project activities that will require notification to any regulatory agency by the Contractor or any of its subcontractors.
8. Man days and costs expended to date.
9. Scrap and reusable item sale proceeds received to date.
10. Lessons learned.

The Contractor shall propose the report format within 45 days after award. The Government reserves the right to reject the proposed cost reporting format if it does not provide equivalent information. Once approved, the Contractor shall use a consistent reporting format throughout the Contract.

The Contractor agrees to maintain all books, records detailing Contract expenses and revenue, and other documents used to perform the Contract and make such documents available to the Government for review and audit. The Contractor shall further maintain such records for a period of two (2) years after Contract completion or for such a time as the Contractor, for its own purposes, retains such books, records, and other documents, whichever is longer.

C-2.4 NOTIFICATION OF ITEMS FOUND ONBOARD. During the performance of the Contract, in the event that the Contractor discovers items onboard the vessel such as classified documents, photographs, other documents, drawings or other information, the Contractor will immediately notify, in accordance with the requirements of CDRL A011, the ACO of the items found and their location on the vessel. These items shall be safe guarded and turned over to the ACO.

C-2.5 OFFICE FACILITIES. The Contractor shall provide on-site office facilities and services for use by Government representatives and the Government Contract administration and oversight organization. The facilities and services shall be equal to and separate from those provided by the Contractor for its use for generally similar purposes. The Contractor shall also provide a minimum of two (2) desks, two (2) chairs, two (2) high-speed internet connection ports, two (2) telephone lines and equipment, and one (1) conference table with seating for ten (10) people. The Contractor shall provide two (2) parking spaces at the Contractor's facility for use by the Government. The Contractor shall provide, maintain and make available to Government representatives a copier/scanner at the Contractor's facility. The Contractor shall include in the Contract price the full cost of providing all office facility requirements for use by Government representatives.

C-2.6 Environmental, Safety and Health, and Security

C-2.6.1 Environmental, Safety and Health Administration: Prior to beginning work, a formal "kick off" meeting will be conducted by the Government. The Contractor shall meet with Government representatives, including the COR, to discuss and develop an understanding of the administration of the Contractor's Environmental, Safety and Health Management, Operational, and Security Plans.

C-2.6.2 Environmental, Safety and Health, and Security Self-Assessments: The Government reserves the right to conduct periodic ES&H and Security evaluations at the Contractor's facility, to ensure Contractor compliance with the ES&H and Security requirements of the Contract. The Contractor shall conduct a self-assessment of its own ES&H and Security programs and shall provide a written report to the Government in accordance with CDRL A012. Generally, the Government will notify the Contractor in writing at least 30 calendar days prior to the Government's commencement of its ES&H and Security assessment at the Contractor's workspace. However, the Government reserves the right to conduct unannounced assessments.

C-2.7 SOUVENIR PLATES. Upon completion of the Contract, the Contractor shall prepare and deliver to PMS 333, twenty (20) engraved souvenir plates cut from the hull of the vessel in accordance with CDRL A013 and provide the location on board the vessel where they were obtained.

PART 3 - GENERAL REQUIREMENTS

C-3 NAVSEA (HQ) CLAUSES

MINIMUM INSURANCE REQUIREMENTS

- (a) Workers' Compensation and Employer's Liability coverage shall be at least \$100,000, except as provided in FAR 28.307(a).
- (b) Bodily injury liability insurance coverage shall be written on the comprehensive form of policy of at least \$500,000 per occurrence.
- (c) Automobile Liability policies covering automobiles operated in the United States shall provide coverage of at least \$200,000 per person and \$500,000 per occurrence for bodily injury and \$20,000 per occurrence for property damage. The amount of liability coverage on other policies shall be commensurate with any legal requirements of the locality and sufficient to meet normal and customary claims.

NOTE: The above requirements are in addition to those insurance requirements contained in SECTION H, LIABILITY and ADDITIONAL INSURANCE REQUIREMENTS; EFFECT OF LOSS OR DAMAGE TO GOVERNMENT VESSEL.

CLAUSES INCORPORATED BY FULL TEXT

ACCESS TO THE VESSEL(S) (AT) (NAVSEA) (JAN 1983)

Officers, employees and associates of other prime Contractors with the Government and their subcontractors, shall, as authorized by the Supervisor, have, at all reasonable times, admission to the plant, access to the vessel(s) where and as required, and be permitted, within the plant and on the vessel(s) required, to perform and fulfill their respective obligations to the Government. The Contractor shall make reasonable arrangements with the Government or Contractors of the Government, as shall have been identified and authorized by the Supervisor to be given admission to the plant and access to the vessel(s) for office space, work areas, storage or shop areas, or other facilities and services, necessary for the performance of the respective responsibilities involved, and reasonable to their performance.

CONTRACTOR'S PROPOSAL (NAVSEA) (MAR 2001)

(a) Performance of this contract by the Contractor shall be conducted and performed in accordance with detailed obligations to which the Contractor committed itself in Proposal A dated August 21, 2012 in response to NAVSEA Solicitation No. N00024-12-R-4211.

(b) The technical volume(s) of the Contractor's proposal is incorporated by reference and hereby made subject to the provisions of the "ORDER OF PRECEDENCE" (FAR 52.215-8) clause of this contract. Under the "ORDER OF PRECEDENCE" clause, the technical volume of the Contractor's proposal referenced herein is hereby designated as item (f) of the clause, following "the specification" in the order of precedence.

DEPARTMENT OF LABOR OCCUPATIONAL SAFETY AND HEALTH STANDARDS FOR SHIP REPAIR (NAVSEA) (SEP 1990)

Attention of the Contractor is directed to the Occupational Safety and Health Act of 1970 (29 USC 651-678), and to the Safety and Health Regulations for Ship Repairing (29 CFR 1915), promulgated under Public Law 85-742, amending Section 41 of the Longshoremen's and Harbor Workers' Compensation Act (33 USC 941), and adopted by the Department of Labor as occupational safety or health standards under Section 6(a) of the Occupational Safety and Health Act of 1970 (See 29 CFR 1910.13). These regulations apply to all ship repair and related work, as defined in the regulations performed under this contract on the navigable waters of the United States including any dry dock and marine railway. Nothing contained in this contract shall be construed as relieving the Contractor from any obligations which it may have for compliance with the aforesaid regulations.

FACILITIES NOT TO BE GOVERNMENT-FURNISHED (CT) (NAVSEA) (SEP 2009)

The Contractor's obligation to perform this contract is in no way conditioned upon the providing by the Government of any facilities, except as may be otherwise expressly provided herein. Accordingly, no such facilities shall be either acquired by the Contractor for the account of the Government or furnished to the Contractor by the Government hereunder. For the purpose of this requirement, facilities means industrial property (other than material, special tooling, military property, and special test equipment) for production, maintenance, research, development or test, including real property and rights therein, buildings, structures, improvements, and plant equipment as defined in FAR 2.101, FAR 45.101 and DFARS 245.101.

PERMITS AND RESPONSIBILITIES (NAVSEA) (SEP 1990)

The Contractor shall, without additional expense to the Government, be responsible for obtaining any necessary licenses and permits, and for complying with any applicable Federal, State, and Municipal laws, codes, and regulations, in connection with any movement over the public highways of overweight/overdimensional materials.

UPDATING SPECIFICATIONS AND STANDARDS (NAVSEA) (AUG 1994)

If, during the performance of this or any other contract, the contractor believes that any contract contains outdated or different versions of any specifications or standards, the contractor may request that all of its contracts be updated to include the current version of the applicable specification or standard. Updating shall not affect the form, fit or function of any deliverable item or increase the cost/price of the item to the Government. The contractor should submit update requests to the Procuring Contracting Officer with copies to the Administrative Contracting Officer and cognizant program office representative for approval. The contractor shall perform the contract in accordance with the existing specifications and standards until notified of approval/disapproval by the Procuring Contracting Officer. Any approved alternate specifications or standards will be incorporated into the contract.

USE OF NAVY SUPPORT CONTRACTORS FOR OFFICIAL CONTRACT FILES (NAVSEA) (APR 2004)

(a) NAVSEA may use a file room management support contractor, hereinafter referred to as "the support contractor", to manage its file room, in which all official contract files, including the official file supporting this procurement, are retained. These official files may contain information that is considered a trade secret, proprietary, business sensitive or otherwise protected pursuant to law or regulation, hereinafter referred to as "protected information". File room management services consist of any of the following: secretarial or clerical support; data entry; document reproduction, scanning, imaging, or destruction; operation, management, or maintenance of paper-based or electronic mail rooms, file rooms, or libraries; and supervision in connection with functions listed herein.

(b) The cognizant Contracting Officer will ensure that any NAVSEA contract under which these file room management services are acquired will contain a requirement that:

(1) The support contractor not disclose any information;

(2) Individual employees are to be instructed by the support contractor regarding the sensitivity of the official contract files;

(3) The support contractor performing these services be barred from providing any other supplies and/or services, or competing to do so, to NAVSEA for the period of performance of its contract and for an additional three years thereafter unless otherwise provided by law or regulation; and,

(4) In addition to any other rights the contractor may have, it is a third party beneficiary who has the right of direct action against the support contractor, or any person to whom the support contractor has released or disclosed protected information, for the unauthorized duplication, release, or disclosure of such protected information.

(c) Execution of this contract by the contractor is considered consent to NAVSEA's permitting access to any information, irrespective of restrictive markings or the nature of the information submitted, by its file room management support contractor for the limited purpose of executing its file room support contract responsibilities.

(d) NAVSEA may, without further notice, enter into contracts with other contractors for these services. Contractors are free to enter into separate non-disclosure agreements with the file room contractor. (Please contact Director, E Business Division for contractor specifics.) However, any such agreement will not be considered a prerequisite before information submitted is stored in the file room or otherwise encumber the government.

Section D - Packaging and Marking

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MARKING OF REPORTS (NAVSEA) (SEP 1990)

All reports delivered by the Contractor to the Government under this contract shall prominently show on the cover of the report:

- (1) name and business address of the Contractor
- (2) contract number
- (3) contract dollar amount
- (4) whether the contract was competitively or non-competitively awarded
- (5) sponsor: GLEN CLARK

(Name of Individual Sponsor)

PMS 333

(Name of Requiring Activity)

WASHINGTON NAVY YARD, DC

(City and State)

Section E - Inspection and Acceptance

INSPECTION AND ACCEPTANCE TERMS

Supplies/services will be inspected/accepted at:

CLIN	INSPECT AT	INSPECT BY	ACCEPT AT	ACCEPT BY
0001	N/A	N/A	N/A	Government
0002	N/A	N/A	N/A	Government
0003	N/A	N/A	N/A	Government
0004	N/A	N/A	N/A	Government
0005	N/A	N/A	N/A	Government
0006	N/A	N/A	N/A	Government
0007	N/A	N/A	N/A	Government

CLAUSES INCORPORATED BY FULL TEXT

52.246-2 INSPECTION OF SUPPLIES--FIXED-PRICE (AUG 1996)

(a) Definition. "Supplies," as used in this clause, includes but is not limited to raw materials, components, intermediate assemblies, end products, and lots of supplies.

(b) The Contractor shall provide and maintain an inspection system acceptable to the Government covering supplies under this contract and shall tender to the Government for acceptance only supplies that have been inspected in accordance with the inspection system and have been found by the Contractor to be in conformity with contract requirements. As part of the system, the Contractor shall prepare records evidencing all inspections made under the system and the outcome. These records shall be kept complete and made available to the Government during contract performance and for as long afterwards as the contract requires. The Government may perform reviews and evaluations as reasonably necessary to ascertain compliance with this paragraph. These reviews and evaluations shall be conducted in a manner that will not unduly delay the contract work. The right of review, whether exercised or not, does not relieve the Contractor of the obligations under the contract.

(c) The Government has the right to inspect and test all supplies called for by the contract, to the extent practicable, at all places and times, including the period of manufacture, and in any event before acceptance. The Government shall perform inspections and tests in a manner that will not unduly delay the work. The Government assumes no contractual obligation to perform any inspection and test for the benefit of the Contractor unless specifically set forth elsewhere in this contract.

(d) If the Government performs inspection or test on the premises of the Contractor or a subcontractor, the Contractor shall furnish, and shall require subcontractors to furnish, at no increase in contract price, all reasonable facilities and assistance for the safe and convenient performance of these duties. Except as otherwise provided in the contract, the Government shall bear the expense of Government inspections or tests made at other than the Contractor's or subcontractor's premises; provided, that in case of rejection, the Government shall not be liable for any reduction in the value of inspection or test samples.

(e)(1) When supplies are not ready at the time specified by the Contractor for inspection or test, the Contracting Officer may charge to the Contractor the additional cost of inspection or test.

(2) The Contracting Officer may also charge the Contractor for any additional cost of inspection or test when prior rejection makes reinspection or retest necessary.

(f) The Government has the right either to reject or to require correction of nonconforming supplies. Supplies are nonconforming when they are defective in material or workmanship or are otherwise not in conformity with contract requirements. The Government may reject nonconforming supplies with or without disposition instructions.

(g) The Contractor shall remove supplies rejected or required to be corrected. However, the Contracting Officer may require or permit correction in place, promptly after notice, by and at the expense of the Contractor. The Contractor shall not tender for acceptance corrected or rejected supplies without disclosing the former rejection or requirement for correction, and, when required, shall disclose the corrective action taken.

(h) If the Contractor fails to promptly remove, replace, or correct rejected supplies that are required to be removed or to be replaced or corrected, the Government may either (1) by contract or otherwise, remove, replace, or correct the supplies and charge the cost to the Contractor or (2) terminate the contract for default. Unless the Contractor corrects or replaces the supplies within the delivery schedule, the Contracting Officer may require their delivery and make an equitable price reduction. Failure to agree to a price reduction shall be a dispute.

(i)(1) If this contract provides for the performance of Government quality assurance at source, and if requested by the Government, the Contractor shall furnish advance notification of the time (i) when Contractor inspection or tests will be performed in accordance with the terms and conditions of the contract and (ii) when the supplies will be ready for Government inspection.

(2) The Government's request shall specify the period and method of the advance notification and the Government representative to whom it shall be furnished. Requests shall not require more than 2 workdays of advance notification if the Government representative is in residence in the Contractor's plant, nor more than 7 workdays in other instances.

(j) The Government shall accept or reject supplies as promptly as practicable after delivery, unless otherwise provided in the contract. Government failure to inspect and accept or reject the supplies shall not relieve the Contractor from responsibility, nor impose liability on the Government, for nonconforming supplies.

(k) Inspections and tests by the Government do not relieve the Contractor of responsibility for defects or other failures to meet contract requirements discovered before acceptance. Acceptance shall be conclusive, except for latent defects, fraud, gross mistakes amounting to fraud, or as otherwise provided in the contract.

(l) If acceptance is not conclusive for any of the reasons in paragraph (k) hereof, the Government, in addition to any other rights and remedies provided by law, or under other provisions of this contract, shall have the right to require the Contractor (1) at no increase in contract price, to correct or replace the defective or nonconforming supplies at the original point of delivery or at the Contractor's plant at the Contracting Officer's election, and in accordance with a reasonable delivery schedule as may be agreed upon between the Contractor and the Contracting Officer; provided, that the Contracting Officer may require a reduction in contract price if the Contractor fails to meet such delivery schedule, or (2) within a reasonable time after receipt by the Contractor of notice of defects or nonconformance, to repay such portion of the contract as is equitable under the circumstances if the Contracting Officer elects not to require correction or replacement. When supplies are returned to the Contractor, the Contractor shall bear the transportation cost from the original point of delivery to the Contractor's plant and return to the original point when that point is not the Contractor's plant. If the Contractor fails to perform or act as required in (1) or (2) above and does not cure such failure within a period of 10 days (or such longer period as the Contracting Officer may authorize in writing) after receipt of notice from the Contracting Officer specifying such failure, the Government shall have the right by contract or otherwise to replace or correct such supplies and charge to the

Contractor the cost occasioned the Government thereby.

(End of clause)

52.246-4 INSPECTION OF SERVICES--FIXED-PRICE (AUG 1996)

(a) Definitions. "Services," as used in this clause, includes services performed, workmanship, and material furnished or utilized in the performance of services.

(b) The Contractor shall provide and maintain an inspection system acceptable to the Government covering the services under this contract. Complete records of all inspection work performed by the Contractor shall be maintained and made available to the Government during contract performance and for as long afterwards as the contract requires.

(c) The Government has the right to inspect and test all services called for by the contract, to the extent practicable at all times and places during the term of the contract. The Government shall perform inspections and tests in a manner that will not unduly delay the work.

(d) If the Government performs inspections or tests on the premises of the Contractor or a subcontractor, the Contractor shall furnish, and shall require subcontractors to furnish, at no increase in contract price, all reasonable facilities and assistance for the safe and convenient performance of these duties.

(e) If any of the services do not conform with contract requirements, the Government may require the Contractor to perform the services again in conformity with contract requirements, at no increase in contract amount. When the defects in services cannot be corrected by reperformance, the Government may (1) require the Contractor to take necessary action to ensure that future performance conforms to contract requirements and (2) reduce the contract price to reflect the reduced value of the services performed.

(f) If the Contractor fails to promptly perform the services again or to take the necessary action to ensure future performance in conformity with contract requirements, the Government may (1) by contract or otherwise, perform the services and charge to the Contractor any cost incurred by the Government that is directly related to the performance of such service or (2) terminate the contract for default.

(End of clause)

52.246-13 INSPECTION--DISMANTLING, DEMOLITION, OR REMOVAL OF IMPROVEMENTS (AUG 1996)

(a) Unless otherwise designated by the specifications, all workmanship performed under the contract is subject to Government inspection at all times and places where dismantling or demolition work is being performed. The Contractor shall furnish promptly, and at no increase in contract price all reasonable facilities, labor, and materials necessary for safe and convenient inspection by the Government. The Government shall perform inspections in a manner that will not unduly delay the work.

(b) The Contractor is responsible for damage to property caused by defective workmanship. The Contractor shall promptly segregate and remove from the premises any unsatisfactory facilities, materials, and equipment used in contract performance, and promptly replace them with satisfactory items. If the Contractor fails to proceed at once in a workmanlike manner with performance of the work or with the correction of defective workmanship, the Government may (1) by contract or otherwise, replace the facilities, materials, and equipment or correct the

workmanship and charge the cost to the Contractor and (2) terminate for default the Contractor's right to proceed. The Contractor and any surety shall be liable, to the extent specified in the contract for any damage or cost of repair or replacement.

(End of clause)

52.246-16 RESPONSIBILITY FOR SUPPLIES (APR 1984)

(a) Title to supplies furnished under this contract shall pass to the Government upon formal acceptance, regardless of when or where the Government takes physical possession, unless the contract specifically provides for earlier passage of title.

(b) Unless the contract specifically provides otherwise, risk of loss of or damage to supplies shall remain with the Contractor until, and shall pass to the Government upon--

(1) Delivery of the supplies to a carrier, if transportation is f.o.b. origin; or

(2) Acceptance by the Government or delivery of the supplies to the Government at the destination specified in the contract, whichever is later, if transportation is f.o.b. destination.

(c) Paragraph (b) of this section shall not apply to supplies that so fail to conform to contract requirements as to give a right of rejection. The risk of loss of or damage to such nonconforming supplies remains with the Contractor until cure or acceptance. After cure or acceptance, paragraph (b) of this section shall apply.

(d) Under paragraph (b) of this section, the Contractor shall not be liable for loss of or damage to supplies caused by the negligence of officers, agents, or employees of the Government acting within the scope of their employment.

(End of clause)

252.246-7000 MATERIAL INSPECTION AND RECEIVING REPORT (MAR 2008)

(a) At the time of each delivery of supplies or services under this contract, the Contractor shall prepare and furnish to the Government a material inspection and receiving report in the manner and to the extent required by Appendix F, Material Inspection and Receiving Report, of the Defense FAR Supplement.

(b) Contractor submission of the material inspection and receiving information required by Appendix F of the Defense FAR Supplement by using the Wide Area WorkFlow (WAWF) electronic form (see paragraph (b) of the clause at 252.232-7003) fulfills the requirement for a material inspection and receiving report (DD Form 250). Two copies of the receiving report (paper copies of either the DD Form 250 or the WAWF report) shall be distributed with the shipment, in accordance with Appendix F, Part 4, F-401, Table 1, of the Defense FAR Supplement.

(End of clause)

INSPECTION AND ACCEPTANCE OF DATA (NAVSEA) (SEP 1990)

CLIN 0004 Inspection and acceptance of all data shall be as specified on the attached Contract Data Requirements Lists, DD Form 1423.

Section F - Deliveries or Performance

Orders under this Contract shall be issued during the period commencing with the effective date of any resultant contract through sixty (60) months.

The contractor shall accomplish CLIN 0001, 0002 and 0003, and any successive delivery orders, in accordance with the schedule proposed by the contractor and incorporated into the contract. Towing and dismantling are to be completed within 24 months of award of the order for each ship. All scrap and reusable equipment/material removed from the ship is required to be sold or disposed of no later than 90 days after completion of dismantling of the ship. Schedules for each successive delivery order shall be proposed by the contractor and incorporated into each order in accordance with the clause in Section H entitled "ORDERS".

DELIVERY INFORMATION

CLIN	DELIVERY DATE	QUANTITY	SHIP TO ADDRESS	UIC
0001	N/A	N/A	N/A	N/A
0002	N/A	N/A	N/A	N/A
0003	N/A	N/A	N/A	N/A
0004	N/A	N/A	N/A	N/A
0005	N/A	N/A	N/A	N/A
0006	N/A	N/A	N/A	N/A
0007	N/A	N/A	N/A	N/A

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52.242-15 STOP-WORK ORDER (AUG 1989)

(a) The Contracting Officer may, at any time, by written order to the Contractor, require the Contractor to stop all, or any part, of the work called for by this contract for a period of 90 days after the order is delivered to the Contractor, and for any further period to which the parties may agree. The order shall be specifically identified as a stop-work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage. Within a period of 90 days after a stop-work is delivered to the Contractor, or

within any extension of that period to which the parties shall have agreed, the Contracting Officer shall either--

(1) Cancel the stop-work order; or

(2) Terminate the work covered by the order as provided in the Default, or the Termination for Convenience of the Government, clause of this contract.

(b) If a stop-work order issued under this clause is canceled or the period of the order or any extension thereof expires, the Contractor shall resume work. The Contracting Officer shall make an equitable adjustment in the delivery schedule or contract price, or both, and the contract shall be modified, in writing, accordingly, if--

(1) The stop-work order results in an increase in the time required for, or in the Contractor's cost properly allocable to, the performance of any part of this contract; and

(2) The Contractor asserts its right to the adjustment within 30 days after the end of the period of work stoppage; provided, that, if the Contracting Officer decides the facts justify the action, the Contracting Officer may receive and act upon the claim submitted at any time before final payment under this contract.

(c) If a stop-work order is not canceled and the work covered by the order is terminated for the convenience of the Government, the Contracting Officer shall allow reasonable costs resulting from the stop-work order in arriving at the termination settlement.

(d) If a stop-work order is not canceled and the work covered by the order is terminated for default, the Contracting Officer shall allow, by equitable adjustment or otherwise, reasonable costs resulting from the stop-work order.

(End of clause)

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52.242-17 GOVERNMENT DELAY OF WORK (APR 1984)

(a) If the performance of all or any part of the work of this contract is delayed or interrupted (1) by an act of the Contracting Officer in the administration of this contract that is not expressly or impliedly authorized by this contract, or (2) by a failure of the Contracting Officer to act within the time specified in this contract, or within a reasonable time if not specified, an adjustment (excluding profit) shall be made for any increase in the cost of performance of this contract caused by the delay or interruption and the contract shall be modified in writing accordingly. Adjustment shall also be made in the delivery or performance dates and any other contractual term or condition affected by the delay or interruption. However, no adjustment shall be made under this clause for any delay or interruption to the extent that performance would have been delayed or interrupted by any other cause, including the fault or negligence of the Contractor, or for which an adjustment is provided or excluded under any other term or condition of this contract.

(b) A claim under this clause shall not be allowed (1) for any costs incurred more than 20 days before the Contractor shall have notified the Contracting Officer in writing of the act or failure to act involved, and (2) unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of the delay or interruption, but not later than the day of final payment under the contract.

(End of clause)

CLAUSES INCORPORATED BY FULL TEXT

52.247-34 F.O.B. DESTINATION (NOV 1991)

(a) The term "f.o.b. destination," as used in this clause, means--

(1) Free of expense to the Government, on board the carrier's conveyance, at a specified delivery point where the consignee's facility (plant, warehouse, store, lot, or other location to which shipment can be made) is located; and

(2) Supplies shall be delivered to the destination consignee's wharf (if destination is a port city and supplies are for export), warehouse unloading platform, or receiving dock, at the expense of the Contractor. The Government shall not be liable for any delivery, storage, demurrage, accessorial, or other charges involved before the actual delivery (or "constructive placement" as defined in carrier tariffs) of the supplies to the destination, unless such charges are caused by an act or order of the Government acting in its contractual capacity. If rail carrier is used, supplies shall be delivered to the specified unloading platform of the consignee. If motor carrier (including "piggyback") is used, supplies shall be delivered to truck tailgate at the unloading platform of the consignee, except when the supplies delivered meet the requirements of Item 568 of the National Motor Freight Classification for "heavy or bulky freight." When supplies meeting the requirements of the referenced Item 568 are delivered, unloading (including movement to the tailgate) shall be performed by the consignee, with assistance from the truck driver, if requested. If the contractor uses rail carrier or freight forwarded for less than carload shipments, the contractor shall ensure that the carrier will furnish tailgate delivery, when required, if transfer to truck is required to complete delivery to consignee.

(b) The Contractor shall--

(1)(i) Pack and mark the shipment to comply with contract specifications; or

(ii) In the absence of specifications, prepare the shipment in conformance with carrier requirements;

(2) Prepare and distribute commercial bills of lading;

(3) Deliver the shipment in good order and condition to the point of delivery specified in the contract;

(4) Be responsible for any loss of and/or damage to the goods occurring before receipt of the shipment by the consignee at the delivery point specified in the contract;

(5) Furnish a delivery schedule and designate the mode of delivering carrier; and

(6) Pay and bear all charges to the specified point of delivery.

(End of clause)

CLAUSES INCORPORATED BY FULL TEXT

52.247-48 F.O.B. DESTINATION - EVIDENCE OF SHIPMENT. (FEB 1999)

(a) If this contract is awarded on a free on board (f.o.b.) destination basis, the Contractor--

- (1) Shall not submit an invoice for payment until the supplies covered by the invoice have been shipped to the destination; and
- (2) Shall retain, and make available to the Government for review as necessary, the following evidence of shipment documentation for a period of 3 years after final payment under the contract:
- (i) If transportation is accomplished by common carrier, a signed copy of the commercial bill of lading for the supplies covered by the Contractor's invoice, indicating the carrier's intent to ship the supplies to the destination specified in the contract.
 - (ii) If transportation is accomplished by parcel post, a copy of the certificate of mailing.
 - (iii) If transportation is accomplished by other than common carrier or parcel post, a copy of the delivery document showing receipt at the destination specified in the contract.
- (b) The Contractor is not required to submit evidence of shipment documentation with its invoice.
- (End of clause)

CLAUSES INCORPORATED BY FULL TEXT

52.247-58 LOADING, BLOCKING, AND BRACING OF FREIGHT CAR SHIPMENTS (APR 1984)

- (a) Upon receipt of shipping instructions, as provided in this contract, the supplies to be included in any carload shipment by rail shall be loaded, blocked, and braced by the Contractor in accordance with the standards published by the Association of American Railroads and effective at the time of shipment.
- (b) Shipments, for which the Association of American Railroads has published no such standards, shall be loaded, blocked, and braced in accordance with standards established by the shipper as evidenced by written acceptance of an authorized representative of the carrier.
- (c) The Contractor shall be liable for payment of any damage to any supplies caused by the failure to load, block, and brace in accordance with acceptable standards set forth herein.
- (d) A copy of the appropriate pamphlet of the Association of American Railroads may be obtained from that Association.
- (End of clause)

Section G - Contract Administration Data

Section G - Contract Administration Data

Enter below the address (street and number, city, county, state and zip code) of the Contractor's facility which will administer the contract if such address is different from address shown on the SF 26 or SF 33, as applicable.

PURCHASING OFFICE
REPRESENTATIVE:

COMMANDER
ATTN: Stacy Kirsch
NAVAL SEA SYSTEM COMMAND
1333 ISAAC HULL AVENUE SE STOP 2040
WASHINGTON NAVY YARD DC 20376
Telephone No 202-781-5124
Fax No. 202-781-4637
Email Address: stacy.kirsch@navy.mil

CLAUSES INCORPORATED BY FULL TEXT

INVOICE INSTRUCTIONS (NAVSEA) (APR 2011)

(a) In accordance with the clause of this contract entitled "ELECTRONIC SUBMISSION OF PAYMENT REQUESTS" (DFARS 252.232-7003), the Naval Sea Systems Command (NAVSEA) will utilize the DoD Wide Area Workflow Receipt and Acceptance (WAWF) system to accept supplies/services delivered under this contract. This web-based system located at <https://wawf.eb.mil> provides the technology for government contractors and authorized Department of Defense (DoD) personnel to generate, capture and process receipt and payment-related documentation in a paperless environment. Invoices for supplies/services rendered under this contract shall be submitted electronically through WAWF. Submission of hard copy DD250/invoices may no longer be accepted for payment.

((b) It is recommended that the person in your company designated as the Central Contractor Registration (CCR) Electronic Business (EB) Point of Contact and anyone responsible for the submission of invoices, use the online training system for WAWF at <https://wawftraining.eb.mil>. The Vendor, Group Administrator (GAM), and sections marked with an asterisk in the training system should be reviewed. Vendor documentation is available under Resources at <http://wawftraining.com>.

(c) The designated CCR EB point of contact is responsible for activating the company's CAGE code on WAWF by calling 1-866-618-5988. Once the company is activated, the CCR EB point of contact will self-register under the company's CAGE code on WAWF and follow the instructions for a group administrator. After the company is set-up on WAWF, any additional persons responsible for submitting invoices shall self-register under the company's CAGE code at <https://wawf.eb.mil>.

(d) The contractor shall use the following document types, DODAAC codes and inspection and acceptance locations when submitting invoices in WAWF:

Type of Document(s) (*contracting officer check all that apply*)

- ☒ Invoice (FFP Supply & Service)
- ☐ Invoice and Receiving Report Combo (FFP Supply)
- ☐ Invoice as 2-in-1 (FFP Service Only)
- ☐ Cost Voucher (Cost Reimbursable, T&M , LH, or FPI)
- ☐ Receiving Report (FFP, DD250 Only)

DODAAC Codes and Inspection and Acceptance Locations (*contracting officer complete appropriate information as applicable*)

Issue DODAAC	<u>N00024</u>
Admin DODAAC	<u>N62790</u>
Pay Office DODAAC	<u>HQ0339</u>
Inspector DODAAC	<u>N62790</u>
Service Acceptor DODAAC	<u>N62790</u>
Service Approver DODAAC	<u>N62790</u>
Ship To DODAAC	<u>See Section F</u>
DCAA Auditor DODAAC	<u>N/A</u>
LPO DODAAC	<u>N/A</u>
Inspection Location	<u>See Section E</u>
Acceptance Location	<u>See Section E</u>

Attachments created in any Microsoft Office product may be attached to the WAWF invoice, e.g., backup documentation, timesheets, etc. Maximum limit for size of each file is 2 megabytes. Maximum limit for size of files per invoice is 5 megabytes.

(e) The Contractor agrees to segregate costs incurred under this task order at the lowest level of performance, either task or subtask, rather than on a total task order basis, and to submit invoices reflecting costs incurred at that level. Supporting documentation in WAWF for invoices shall include summaries of work charged during the period covered as well as overall cumulative summaries by individual labor categories, rates, and hours (both straight time and overtime) invoiced; as well as a cost breakdown of ODCs (materials and travel), by line item task or subtask. Subcontractors are also required to provide labor categories, rates, and hours (both straight time and overtime) invoiced; as well as, a cost breakdown of ODCs, materials, and travel invoiced. Supporting documentation may be encrypted before submission to the prime contractor for WAWF invoice submittal.

Subcontractors may email encryption code information directly to the Contracting Officer and Contracting Officer Representative. Should the subcontractor lack encryption capability, the subcontractor may also email detailed supporting cost information directly to the Contracting Officer and Contracting Officer Representative; or other method as agreed to by the Contracting Officer.

(f) Before closing out of an invoice session in WAWF, but after submitting the document(s), you will be prompted to send additional email notifications. Click on “Send More Email Notification” and add the acceptor/receiver email addresses noted below in the first email address block, and add any other additional email addresses desired in the following blocks. This additional notification to the government is important to ensure that the acceptor/receiver is aware that the invoice documents have been submitted into WAWF.

Send Additional Email Notification To:
Glen.clark@navy mil

(g) The contractor shall submit invoices/cost vouchers for payment per contract terms and the government shall process invoices/cost vouchers for payment per contract terms. Contractors approved by DCAA for direct billing will submit cost vouchers directly to DFAS via WAWF. Final voucher submission will be approved by the ACO.

(h) If you have any questions regarding WAWF, please contact the WAWF helpdesk at the above 1-866 number or the NAVSEA WAWF point of contact Margaret Morgan at (202) 781-4815 or margaret.morgan@navy.mil.

CLAUSES INCORPORATED BY FULL TEXT

52.232-33 PAYMENT BY ELECTRONIC FUNDS TRANSFER—CENTRAL CONTRACTOR REGISTRATION (OCT 2003)

(a) Method of payment. (1) All payments by the Government under this contract shall be made by electronic funds transfer (EFT), except as provided in paragraph (a)(2) of this clause. As used in this clause, the term “EFT” refers to the funds transfer and may also include the payment information transfer.

(2) In the event the Government is unable to release one or more payments by EFT, the Contractor agrees to either--

(i) Accept payment by check or some other mutually agreeable method of payment; or

(ii) Request the Government to extend the payment due date until such time as the Government can make payment by EFT (but see paragraph (d) of this clause).

(b) Contractor's EFT information. The Government shall make payment to the Contractor using the EFT information contained in the Central Contractor Registration (CCR) database. In the event that the EFT information changes, the Contractor shall be responsible for providing the updated information to the CCR database.

(c) Mechanisms for EFT payment. The Government may make payment by EFT through either the Automated Clearing House (ACH) network, subject to the rules of the National Automated Clearing House Association, or the Fedwire Transfer System. The rules governing Federal payments through the ACH are contained in 31 CFR part 210.

(d) Suspension of payment. If the Contractor's EFT information in the CCR database is incorrect, then the Government need not make payment to the Contractor under this contract until correct EFT information is entered

into the CCR database; and any invoice or contract financing request shall be deemed not to be a proper invoice for the purpose of prompt payment under this contract. The prompt payment terms of the contract regarding notice of an improper invoice and delays in accrual of interest penalties apply.

(e) Liability for uncompleted or erroneous transfers. (1) If an uncompleted or erroneous transfer occurs because the Government used the Contractor's EFT information incorrectly, the Government remains responsible for--

(i) Making a correct payment;

(ii) Paying any prompt payment penalty due; and

(iii) Recovering any erroneously directed funds.

(2) If an uncompleted or erroneous transfer occurs because the Contractor's EFT information was incorrect, or was revised within 30 days of Government release of the EFT payment transaction instruction to the Federal Reserve System, and--

(i) If the funds are no longer under the control of the payment office, the Government is deemed to have made payment and the Contractor is responsible for recovery of any erroneously directed funds; or

(ii) If the funds remain under the control of the payment office, the Government shall not make payment, and the provisions of paragraph (d) of this clause shall apply.

(f) EFT and prompt payment. A payment shall be deemed to have been made in a timely manner in accordance with the prompt payment terms of this contract if, in the EFT payment transaction instruction released to the Federal Reserve System, the date specified for settlement of the payment is on or before the prompt payment due date, provided the specified payment date is a valid date under the rules of the Federal Reserve System.

(g) EFT and assignment of claims. If the Contractor assigns the proceeds of this contract as provided for in the assignment of claims terms of this contract, the Contractor shall require as a condition of any such assignment, that the assignee shall register separately in the CCR database and shall be paid by EFT in accordance with the terms of this clause. Notwithstanding any other requirement of this contract, payment to an ultimate recipient other than the Contractor, or a financial institution properly recognized under an assignment of claims pursuant to subpart 32.8, is not permitted. In all respects, the requirements of this clause shall apply to the assignee as if it were the Contractor. EFT information that shows the ultimate recipient of the transfer to be other than the Contractor, in the absence of a proper assignment of claims acceptable to the Government, is incorrect EFT information within the meaning of paragraph (d) of this clause.

(h) Liability for change of EFT information by financial agent. The Government is not liable for errors resulting from changes to EFT information made by the Contractor's financial agent.

(i) Payment information. The payment or disbursing office shall forward to the Contractor available payment information that is suitable for transmission as of the date of release of the EFT instruction to the Federal Reserve System. The Government may request the Contractor to designate a desired format and method(s) for delivery of payment information from a list of formats and methods the payment office is capable of executing. However, the Government does not guarantee that any particular format or method of delivery is available at any particular payment office and retains the latitude to use the format and delivery method most convenient to the Government. If the Government makes payment by check in accordance with paragraph (a) of this clause, the Government shall mail the payment information to the remittance address contained in the CCR database.

(End of Clause)

252.204-7006 BILLING INSTRUCTIONS (OCT 2005)

When submitting a request for payment, the Contractor shall--

- (a) Identify the contract line item(s) on the payment request that reasonably reflect contract work performance; and
- (b) Separately identify a payment amount for each contract line item included in the payment request.

(End of clause)

252.232-7003 ELECTRONIC SUBMISSION OF PAYMENT REQUESTS AND RECEIVING REPORTS (MAR 2008)

(a) Definitions. As used in this clause--

(1) Contract financing payment and invoice payment have the meanings given in section 32.001 of the Federal Acquisition Regulation.

(2) Electronic form means any automated system that transmits information electronically from the initiating system to all affected systems. Facsimile, e-mail, and scanned documents are not acceptable electronic forms for submission of payment requests. However, scanned documents are acceptable when they are part of a submission of a payment request made using Wide Area WorkFlow (WAWF) or another electronic form authorized by the Contracting Officer.

(3) Payment request means any request for contract financing payment or invoice payment submitted by the Contractor under this contract.

(b) Except as provided in paragraph (c) of this clause, the Contractor shall submit payment requests and receiving reports using WAWF, in one of the following electronic formats that WAWF accepts: Electronic Data Interchange, Secure File Transfer Protocol, or World Wide Web input. Information regarding WAWF is available on the Internet at <https://wawf.eb.mil/>.

(c) The Contractor may submit a payment request and receiving report using other than WAWF only when--

(1) The Contracting Officer authorizes use of another electronic form. With such an authorization, the Contractor and the Contracting Officer shall agree to a plan, which shall include a timeline, specifying when the Contractor will transfer to WAWF;

(2) DoD is unable to receive a payment request or provide acceptance in electronic form;

(3) The Contracting Officer administering the contract for payment has determined, in writing, that electronic submission would be unduly burdensome to the Contractor. In such cases, the Contractor shall include a copy of the Contracting Officer's determination with each request for payment; or

(4) DoD makes payment for commercial transportation services provided under a Government rate tender or a contract for transportation services using a DoD-approved electronic third party payment system or other exempted vendor payment/invoicing system (e.g., PowerTrack, Transportation Financial Management System, and Cargo and Billing System).

(d) The Contractor shall submit any non-electronic payment requests using the method or methods specified in Section G of the contract.

(e) In addition to the requirements of this clause, the Contractor shall meet the requirements of the appropriate payment clauses in this contract when submitting payments requests.

(End of clause)

Section H - Special Contract Requirements

Section H - Special Contract Requirements

SPECIAL CONTRACT REQUIREMENT

LIABILITY AND ADDITIONAL INSURANCE REQUIREMENTS; EFFECT OF LOSS OR DAMAGE TO GOVERNMENT VESSEL.

- (a) The Contractor shall exercise its best efforts to prevent accidents, injury, loss or damage to all employees, persons, and property during the performance of the contract. Prior to accepting custody of a vessel to be towed, the Contractor will inspect the vessel to satisfy itself that the vessel is in a seaworthy condition and in all respects suitable for towing. Once the Contractor accepts custody of the vessel to be towed, it does so on an “as is, where is” basis; the Government gives no warranties, express or implied, regarding the vessel’s seaworthiness or suitability for towing.
- (b) The Government shall not be responsible for loss of or damage to the property of the Contractor or others, or for injury to or death of the Contractor’s officers, agents, employees, or other persons arising from or incident to performance of this contract. The Contractor shall indemnify, save harmless and defend the Government from and against all claims, demands, actions, liabilities, consequential damages, judgments, costs, and attorneys’ fees arising out of, claimed on account of, or in any manner predicated upon, the injury, death, property damage (including damage to the environment or natural resources) caused by or resulting from the Contractor’s (including the Contractor’s agents or employees, or any subcontractor, or its agents or employees) removal and towing and dismantlement of the vessel(s), removal and disposition of hazardous materials/waste, sale or disposition of scrap and/or reusable equipment, possession or use of scrap and/or reusable equipment by the Contractor or others, or other actions by the Contractor in performance of this contract.
- (c) The Contractor’s obligation to indemnify under this clause shall not exceed the sum of \$2,000,000, or the limits of the applicable insurance policy or performance bond whichever is greater, as a consequence of any single occurrence with respect to any one vessel.
- (d) In addition to the minimum insurance requirements stated in the clause entitled “Minimum Insurance Requirements” contained in Section C of this contract, and unless otherwise directed by the Government, the Contractor (and its subcontractors as necessary) shall obtain and maintain additional insurance to insure the performance of its obligations under paragraph (b) of this clause, including at a minimum the following: customary liability Protection and Indemnity (P&I) marine insurance coverage, including Tower’s Liability Insurance on the towed vessel(s), to cover all marine liabilities including third-party claims, crew injuries, and pollution claims.
- (e) In addition to the insurance coverage required by paragraph (d), the Contractor is also obligated to provide sufficient casualty, accident, and liability insurance on all industrial activities at the Contractors facility.
- (f) Each such insurance policy shall name the United States of America as an additional named insured.
- (g) Upon request of the Contracting Officer, the Contractor shall provide evidence of the insurance required by paragraph (d) of this clause.
- (h) The cost of the insurance required by paragraph (d) of this clause is included in the price proposed by the Contractor for this contract.
- (i) In the event of loss of or damage to any government vessel(s) being transported under this contract, which loss or damage may reduce the remaining scope of work that can be performed under the contract with respect to those vessel(s), the Contractor shall promptly notify the Contracting Officer of the loss or damage. The Contracting Officer may, without prejudice to any other right of the Government, either –

- (1) Modify the contract appropriately, consistent with the reduced performance requirements reflected by the loss or damage; or
- (2) Terminate the contract under the clause of this contract entitled "TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE)" (FAR 52.249.2).

NO CLAIM FOR SALVAGE

Should a Government vessel break away from the towing vessel during the course of towage service, the towing vessel shall stand by and render all necessary and reasonable services for saving the Government vessel and reconnecting the towline and shall make no salvage claim.

PROCEDURES/CRITERIA FOR FOLLOW-ON TASK ORDERS

Follow-on orders placed under this contract will be made in accordance with guidance in FAR 16.505(b). The criteria in order of importance for follow-on awards are cost/price, past performance on earlier task orders and schedule. In addition, the Contracting Officer may consider other factors that are relevant to the award of follow-on task orders. For each new order, offerors will provide a schedule and cost/price proposal.

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5252.216-9110 ORDERS (FIXED-PRICE) (JAN 2008)

(a) General. Orders for supplies or services specified in Section B of the Schedule may be issued by the Contracting Officer at any time during the effective period of this agreement. Except as otherwise provided in paragraph (e) below, the Contractor agrees to accept and perform orders issued by the Contracting Officer within the scope of this agreement. It is understood and agreed that the Government has no obligation under the terms of this agreement to issue any orders. Except as otherwise provided in any order, the Contractor shall furnish all materials and services necessary to accomplish the work specified in each order issued hereunder; provided, however, that this agreement shall not be used for the furnishing of supplies or services which are covered by any "guaranty" or "warranty" clause(s) of the contract(s) under which the supplies were manufactured. In the event of any inconsistency between any order and this agreement, this agreement shall control. All requirements of this agreement shall be applicable to all orders issued hereunder. Wherever the word "contract" appears in this agreement, it shall be deemed to include within its meaning the word "order", and each order shall be considered a separate binding contract as of its effective date. The Contractor shall segregate the costs incurred in the performance of any order issued hereunder from the costs of all other orders issued under this agreement.

(b) Ordering. Orders and revisions thereto shall be made in writing and be signed by any authorized Contracting Officer cited in paragraph (i). Each order shall:

- (1) set forth detailed specifications or requirements for the supplies or services being ordered, (or reference applicable specifications or requirements in Section C of this agreement), and, shall refer to the appropriate item under Section B of this agreement;
- (2) set forth quantities being ordered;

- (3) set forth preservation, packaging and packing instructions, if any;
- (4) set forth delivery or performance dates;
- (5) designate the place(s) where inspection and acceptance will be made by the Government;
- (6) set forth either the firm contract price or, in the case of an undefinitized order, the definitization schedule and both the monetary limitation on Government liability for the undefinitized order and the maximum ceiling amount at which the order may be definitized;
- (7) set forth appropriation and accounting data for the work being ordered;
- (8) set forth any discount offered for prompt payment;
- (9) be dated;
- (10) be identified by number in accordance with DFARS 204.7004;
- (11) set forth the property, if any, to be furnished by the Government and the date(s) such property is to be delivered to the Contractor;
- (12) set forth the disbursing office where payment is to be made and other applicable contract administration data;
- (13) cite the applicable circumstance or exception and the justification control number. Orders for items not identified in the class justification, or an individual justification, and the basic ordering agreement are unauthorized;
- (14) be issued on an SF 26 or a DD Form 1155; and
- (15) set forth any other pertinent information.

(c) Firm Priced Orders. Except as otherwise provided in paragraph (d) below, the Contractor shall not begin any work on an order until a firm priced order is issued by the Contracting Officer. Upon receipt of a proposed order, the Contractor shall promptly submit to the Contracting Officer a price proposal for the work specified in the order. The Contractor agrees that it will submit such cost or pricing data as the Contracting Officer may require. Promptly after receipt of the Contractor's proposal and supporting cost or pricing data, if required, the Contractor and the Contracting Officer shall negotiate and agree upon a price and delivery schedule for the work being ordered. The price and delivery schedule, as agreed upon, shall be set forth in the priced order and the order shall be signed by both the Contracting Officer and the Contractor. Upon receipt of the priced order, the Contractor shall promptly commence work and shall diligently complete it.

(d) Undefinitized Orders. Whenever the Contracting Officer determines that urgent demands or requirements prevent the issuance of a firm priced order, the Contracting Officer may issue an unpriced order. Such order may be unilateral or bilateral and shall establish a limitation on Government liability, a maximum ceiling amount and a schedule for definitization, as described in subparagraph (f)(2) below. Upon request, the Contractor shall submit a maximum ceiling amount proposal before the undefinitized order is issued. The maximum ceiling amount is the maximum price at which the order may be definitized. Except as provided in paragraph (e) below, the Contractor shall commence performance of the order upon receipt. The clause entitled "CONTRACT DEFINITIZATION" (DFARS 252.217-7027) shall be included in any undefinitized order.

(e) Rejection of Unilateral Orders. The Contractor may reject any unilateral order if the Contractor determines it cannot feasibly perform the order, or if it does not concur with the maximum ceiling amount. However, each unilateral order shall be deemed to have been accepted by the Contractor unless within fifteen (15) days of issuance of the order the Contractor notifies the Contracting Officer in writing of its rejection of the order.

(f) Definitization of Undefinitized Orders. (1) The Contractor agrees that following the issuance of an undefinitized order, it will promptly begin negotiating with the Contracting Officer the price and terms of a definitive order that will include: (A) all clauses required by regulation on the date of the order; (B) all clauses required by law on the date of execution of the definitive order; and, (C) other mutually agreeable clauses, terms and/or conditions. No later than sixty (60) days after the undefinitized order is issued, the Contractor shall submit a cost proposal with sufficient data to support the accuracy and derivation of its price; and, when required by FAR or the Contracting Officer, cost or pricing data. If additional cost information is available prior to the conclusion of negotiations, the Contractor shall provide that information to the Contracting Officer. The price agreed upon shall be set forth in a bilateral modification to the order. In no event shall the price exceed the maximum ceiling amount specified in the undefinitized order.

(2) Each undefinitized order shall contain a schedule for definitization which shall include a target date for definitization and dates for submission of a qualifying proposal, beginning of negotiations and, if appropriate, submission of make-or-buy and subcontracting plans and cost or pricing data. Submission of a qualifying proposal in accordance with the definitization schedule is a material element of the order. The schedule shall provide for definitization of the order by the earlier of:

- (i) specified target date which is not more than 180 days after the issuance of the undefinitized order. However, that target date may be extended by the Contracting Officer for up to 180 days after the Contractor submits a qualifying proposal as defined in DFARS 217.7401; or
- (ii) the date on which the amount of funds obligated by the Government under the undefinitized order exceeds fifty percent (50%) of the order's maximum ceiling amount.

(3) If agreement on a definitive order is not reached within the time provided pursuant to subparagraph (f)(2) above, the Contracting Officer may, with the approval of the Head of the Contracting Activity, determine a reasonable price in accordance with Subpart 15.4 and Part 31 of the FAR, and issue a unilateral order subject to Contractor appeal as provided in the "DISPUTES" clause (FAR 52.233-1). In any event, the Contractor shall proceed with completion of the order, subject to the "LIMITATION OF GOVERNMENT LIABILITY" clause (FAR 52.216-24).

(g) Limitation of Government Liability. (1) Each undefinitized order shall set forth the limitation of Government liability, which shall be the maximum amount that the Government will be obligated to pay the Contractor for performance of the order until the order is definitized. The Contractor is not authorized to make expenditures or incur obligations exceeding the limitation of Government liability set forth in the order. If such expenditures are made, or if such obligations are incurred, those expenditures and obligations will be at the Contractor's sole risk and expense. Further, the limitation of liability shall be the maximum Government liability if the order is terminated. The clause at FAR 52.216-24 shall be included in any undefinitized order.

(2) Except for undefinitized orders for Foreign Military Sales; purchases of less than \$25,000; special access programs; and Congressionally-mandated long lead procurements; and except as otherwise provided in subparagraph (g)(3) below, the limitation of Government liability shall not exceed fifty percent (50%) of the maximum ceiling amount of an undefinitized order. In the case of orders within these excepted categories, however, the procedures set forth herein shall be followed to the maximum extent practical.

(3) If the Contractor submits a qualifying proposal, as defined in DFARS 217.7401, to definitize an order before the Government obligated fifty percent (50%) of the maximum ceiling amount, the Contracting Officer may increase the

limitation of Government liability up to no more than seventy-five percent (75%) of the maximum ceiling amount or up to seventy-five percent (75%) of the price proposed by the Contractor, whichever is less.

(4) If at any time the Contractor believes that its expenditures under an order will exceed the limitation of Government liability, the Contractor shall so notify the Contracting Officer, in writing, and propose an appropriate increase in the limitation of Government liability of such order. Within thirty (30) days of such notice, the Contracting Officer will either (i) notify the Contractor in writing of such appropriate increase, or (ii) instruct the Contractor how and to what extent the work shall be continued; provided, however, that in no event shall the Contractor be obligated to proceed with work on an undefinitized order beyond the point where its costs incurred plus a reasonable profit exceed the limitation of Government liability, and provided also that in no event shall the Government be obligated to pay the Contractor any amount in excess of the limitation of Government liability specified in any such order prior to definitization.

(h) Initial Spares. The limitations set forth in paragraph (d) and subparagraphs (f)(2), (g)(2) and (g)(3), do not apply to undefinitized orders for the purchase of initial spares.

(i) Ordering Activities. The following activities are authorized to issue orders hereunder:

Federal Procurement Data System – Next Generation (FPDS-NG) Contract Action Reports (CARs) have replaced DD350s. The procuring and administrative contracting officers are responsible for the submission and accuracy of CARs. CARs are not required to be submitted to NAVSEA.

(j) Funds in the following amount are committed under this Basic Ordering Agreement for use by the Ordering Activity in obligating funds to pay for orders placed hereunder:

Item

Funds

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5252.223-9114 MANAGEMENT AND DISPOSAL OF HAZARDOUS WASTE (NOV 1996)

(a) GENERAL

(1) The Contractor shall comply with the Resource Conservation and Recovery Act (RCRA), the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), 10 U.S.C. 7311 and all other applicable Federal, State and local laws, codes, ordinances and regulations for the management and disposal of hazardous waste.

(2) Nothing contained in this special contract requirement shall relieve the Contractor from complying with applicable Federal, State, and local Laws, codes, ordinances, and regulations, including obtaining licenses and permits, giving notices and submitting reports, in connection with hazardous waste management and disposal in the performance of this contract. Nothing contained herein shall serve to alter either party's liability or responsibility under CERCLA.

(3) Materials contained in ship systems are not waste until after removal from the system.

(b) IDENTIFICATION OF HAZARDOUS WASTES

of this contract identifies the types and amounts of hazardous wastes that are required to be removed by the Contractor, or that are expected to be generated, during the performance of work under this contract.

(c) GENERATOR IDENTIFICATION NUMBERS

(1) Documentation related to hazardous waste generated solely by the physical actions of ship's force or Navy employees on board the vessel shall only bear a generator identification number issued to the Navy pursuant to applicable law.

(2) Documentation related to hazardous waste generated solely by the physical actions of Contractor personnel shall only bear a generator identification number issued to the Contractor pursuant to applicable law. Regardless of the presence of other materials in or on the shipboard systems or structures which may have qualified a waste stream as hazardous, where the Contractor performs work on a system or structure using materials (whether or not the use of such materials was specified by the Navy) which by themselves would cause the waste from such work to be a hazardous waste, documentation related to such waste shall only bear a generator identification number issued to the Contractor.

(3) Documentation related to hazardous waste generated by the combined physical actions of Navy and Contractor personnel shall bear a generator identification number issued to the Contractor pursuant to applicable law and shall also cite in the remarks block a generator identification number issued to the Navy pursuant to applicable law.

(4) Notwithstanding paragraphs (c)(1) - (c)(3) above, hazardous wastes are considered to be co-generated in cases where: (a) the Contractor merely drains a system and such drainage creates hazardous waste or (b) the Contractor performs work on a system or structure using materials which by themselves would not cause the waste from such work to be hazardous waste but such work nonetheless creates a hazardous waste. Documentation related to such co-generated waste shall bear a generator identification number in accordance with the provisions of paragraph (c)(3) above.

(5) In the event of a failure by the parties to agree to the assignment of a generator identification number to any hazardous waste as set forth in paragraphs (c)(1) through (c)(4) above, the Government may direct which party or parties shall provide generator identification numbers for the waste and such number(s) shall be used on all required documentation. Any disagreement with this direction shall be a dispute within the meaning of clause of this contract entitled "DISPUTES" (FAR 52.233-1). However, the Contractor shall not stop any work but shall continue with performance of all work under this contract as specified in the "DISPUTES" clause.

(6) Hazardous Waste Manifests For wastes described in (c)(2), (c)(3), and (c)(4) above (and (c)(5) as applicable), the Contractor shall sign the generator certification on the Uniform Hazardous Waste Manifest whenever use of the Manifest is required for disposal. The Contractor shall obtain concurrence with the categorization of wastes under paragraphs (c)(3) and (c)(4) above before completion of the manifest. Manifests prepared pursuant to paragraph (c)(1) above shall be presented to the _____ for completion after the hazardous waste has been identified.

(7) For purposes of paragraphs (c)(2) and (3) herein, if the Contractor, while performing work at a Government facility, cannot obtain a separate generator identification number from the State in which the availability will be performed, the Contractor shall notify _____ within 3 business days of receipt of written notification by the State. After obtaining _____ approval, the Contractor shall use the Navy site generator identification number and insert in the remarks block the contractor generator identification number issued for the site where his main facilities are located. For purposes of paragraph (c)(1) herein, if the work is being performed at a contractor facility and the Government cannot obtain a separate generator identification number for the State, the Government shall use the Contractor site generator identification number and shall cite in the remarks block a Navy generator identification

number. In both instances described above, the Contractor shall prepare the Uniform Hazardous Waste Manifest described in paragraph (c)(6) above and present it to _____ for completion.

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52.228-1 BID GUARANTEE (SEP 1996)

(a) Failure to furnish a bid guarantee in the proper form and amount, by the time set for opening of bids, may be cause for rejection of the bid.

(b) The bidder shall furnish a bid guarantee in the form of a firm commitment, e.g., bid bond supported by good and sufficient surety or sureties acceptable to the Government, postal money order, certified check, cashier's check, irrevocable letter of credit, or, under Treasury Department regulations, certain bonds or notes of the United States. The Contracting Officer will return bid guarantees, other than bid bonds, (1) to unsuccessful bidders as soon as practicable after the opening of bids, and (2) to the successful bidder upon execution of contractual documents and bonds (including any necessary coinsurance or reinsurance agreements), as required by the bid as accepted.-

(c) The amount of the bid guarantee shall be \$2,000,000.

(d) If the successful bidder, upon acceptance of its bid by the Government within the period specified for acceptance, fails to execute all contractual documents or furnish executed bond(s) within 10 days after receipt of the forms by the bidder, the Contracting Officer may terminate the contract for default.-

(e) In the event the contract is terminated for default, the bidder is liable for any cost of acquiring the work that exceeds the amount of its bid, and the bid guarantee is available to offset the difference.

(End of provision)

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52.228-11 PLEDGES OF ASSETS (JAN 2012)

(a) Offerors shall obtain from each person acting as an individual surety on a bid guarantee, a performance bond, or a payment bond--

(1) Pledge of assets; and

(2) Standard Form 28, Affidavit of Individual Surety.

(b) Pledges of assets from each person acting as an individual surety shall be in the form of--

(1) Evidence of an escrow account containing cash, certificates of deposit, commercial or Government securities, or other assets described in FAR 28.203-2 (except see 28.203-2(b)(2) with respect to Government securities held in book entry form); and/or

(2) A recorded lien on real estate. The offeror will be required to provide--

(i) A mortgagee title insurance policy, in an insurance amount equal to the amount of the lien, or other evidence of title that is consistent with the requirements of Section 2 of the United States Department of Justice Title Standards at http://www.justice.gov/enrd/ENRD_Assets/Title_Standards_2001.pdf. This title evidence must show fee simple title vested in the surety along with any concurrent owners; whether any real estate taxes are due and payable; and any recorded encumbrances against the property, including the lien filed in favor of the Government as required by FAR 28.203-3(d);

(ii) Evidence of the amount due under any encumbrance shown in the evidence of title;

(iii) A copy of the current real estate tax assessment of the property or a current appraisal dated no earlier than 6 months prior to the date of the bond, prepared by a professional appraiser who certifies that the appraisal has been conducted in accordance with the generally accepted appraisal standards as reflected in the Uniform Standards of Professional Appraisal Practice, as promulgated by the Appraisal Foundation.

(End of clause)

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52.228-14 IRREVOCABLE LETTER OF CREDIT (DEC 1999)

(a) "Irrevocable letter of credit" (ILC), as used in this clause, means a written commitment by a federally insured financial institution to pay all or part of a stated amount of money, until the expiration date of the letter, upon presentation by the Government (the beneficiary) of a written demand therefor. Neither the financial institution nor the offeror/Contractor can revoke or condition the letter of credit.

(b) If the offeror intends to use an ILC in lieu of a bid bond, or to secure other types of bonds such as performance and payment bonds, the letter of credit and letter of confirmation formats in paragraphs (e) and (f) of this clause shall be used.

(c) The letter of credit shall be irrevocable, shall require presentation of no document other than a written demand and the ILC (including confirming letter, if any), shall be issued/confirmed by an acceptable federally insured financial institution as provided in paragraph (d) of this clause, and--

(1) If used as a bid guarantee, the ILC shall expire no earlier than 60 days after the close of the bid acceptance period;

(2) If used as an alternative to corporate or individual sureties as security for a performance or payment bond, the offeror/Contractor may submit an ILC with an initial expiration date estimated to cover the entire period for which financial security is required or may submit an ILC with an initial expiration date that is a minimum period of one year from the date of issuance. The ILC shall provide that, unless the issuer provides the beneficiary written notice of non-renewal at least 60 days in advance of the current expiration date, the ILC is automatically extended without amendment for one year from the expiration date, or any future expiration date, until the period of required coverage is completed and the Contracting Officer provides the financial institution with a written statement waiving the right to payment. The period of required coverage shall be:

(i) For contracts subject to the Miller Act, the later of--

(A) One year following the expected date of final payment;

(B) For performance bonds only, until completion of any warranty period; or

(C) For payment bonds only, until resolution of all claims filed against the payment bond during the one-year period following final payment.

(ii) For contracts not subject to the Miller Act, the later of--

(A) 90 days following final payment; or

(B) For performance bonds only, until completion of any warranty period.

(d) Only federally insured financial institutions rated investment grade or higher shall issue or confirm the ILC. The offeror/Contractor shall provide the Contracting Officer a credit rating that indicates the financial institution has the required rating(s) as of the date of issuance of the ILC. Unless the financial institution issuing the ILC had letter of credit business of less than \$25 million in the past year, ILCs over \$5 million must be confirmed by another acceptable financial institution that had letter of credit business of less than \$25 million in the past year.

(e) The following format shall be used by the issuing financial institution to create an ILC:

[Issuing Financial Institution's Letterhead or Name and Address]

Issue Date _____

IRREVOCABLE LETTER OF CREDIT NO. _____

Account party's name _____

Account party's address _____

For Solicitation No. _____ (for reference only)

TO: [U.S. Government agency]

[U.S. Government agency's address]

1. We hereby establish this irrevocable and transferable Letter of Credit in your favor for one or more drawings up to United States \$_____. This Letter of Credit is payable at [issuing financial institution's and, if any, confirming financial institution's] office at [issuing financial institution's address and, if any, confirming financial institution's address] and expires with our close of business on _____, or any automatically extended expiration date.

2. We hereby undertake to honor your or the transferee's sight draft(s) drawn on the issuing or, if any, the confirming financial institution, for all or any part of this credit if presented with this Letter of Credit and confirmation, if any, at the office specified in paragraph 1 of this Letter of Credit on or before the expiration date or any automatically extended expiration date.

3. [This paragraph is omitted if used as a bid guarantee, and subsequent paragraphs are renumbered.] It is a condition of this Letter of Credit that it is deemed to be automatically extended without amendment for one year from the expiration date hereof, or any future expiration date, unless at least 60 days prior to any expiration date, we notify you or the transferee by registered mail, or other receipted means of delivery, that we elect not to consider this Letter of Credit renewed for any such additional period. At the time we notify you, we also agree to notify the account party (and confirming financial institution, if any) by the same means of delivery.

4. This Letter of Credit is transferable. Transfers and assignments of proceeds are to be effected without charge to

either the beneficiary or the transferee/assignee of proceeds. Such transfer or assignment shall be only at the written direction of the Government (the beneficiary) in a form satisfactory to the issuing financial institution and the confirming financial institution, if any.

5. This Letter of Credit is subject to the Uniform Customs and Practice (UCP) for Documentary Credits, 1993 Revision, International Chamber of Commerce Publication No. 500, and to the extent not inconsistent therewith, to the laws of _____ [state of confirming financial institution, if any, otherwise state of issuing financial institution].

6. If this credit expires during an interruption of business of this financial institution as described in Article 17 of the UCP, the financial institution specifically agrees to effect payment if this credit is drawn against within 30 days after the resumption of our business.

Sincerely,

[Issuing financial institution]

(f) The following format shall be used by the financial institution to confirm an ILC:

[Confirming Financial Institution's Letterhead or Name and Address]

(Date) _____

Our Letter of Credit Advice Number _____

Beneficiary: _____ [U.S. Government agency]

Issuing Financial Institution: _____

Issuing Financial Institution's LC No.: _____

Gentlemen:

1. We hereby confirm the above indicated Letter of Credit, the original of which is attached, issued by _____ [name of issuing financial institution] for drawings of up to United States dollars _____/U.S. \$_____ and expiring with our close of business on _____ [the expiration date], or any automatically extended expiration date.

2. Draft(s) drawn under the Letter of Credit and this Confirmation are payable at our office located at _____.

3. We hereby undertake to honor sight draft(s) drawn under and presented with the Letter of Credit and this Confirmation at our offices as specified herein.

4. [This paragraph is omitted if used as a bid guarantee, and subsequent paragraphs are renumbered.] It is a condition of this confirmation that it be deemed automatically extended without amendment for one year from the expiration date hereof, or any automatically extended expiration date, unless:

(a) At least 60 days prior to any such expiration date, we shall notify the Contracting Officer, or the transferee and the issuing financial institution, by registered mail or other receipted means of delivery, that we elect not to consider this confirmation extended for any such additional period; or

(b) The issuing financial institution shall have exercised its right to notify you or the transferee, the account party, and ourselves, of its election not to extend the expiration date of the Letter of Credit.

5. This confirmation is subject to the Uniform Customs and Practice (UCP) for Documentary Credits, 1993 Revision, International Chamber of Commerce Publication No. 500, and to the extent not inconsistent therewith, to the laws of _____ [state of confirming financial institution].

6. If this confirmation expires during an interruption of business of this financial institution as described in Article 17 of the UCP, we specifically agree to effect payment if this credit is drawn against within 30 days after the resumption of our business.

Sincerely,

[Confirming financial institution]

(g) The following format shall be used by the Contracting Officer for a sight draft to draw on the Letter of Credit:

SIGHT DRAFT

[City, State]

(Date) _____

[Name and address of financial institution]

Pay to the order of _____ [Beneficiary Agency] _____ the sum of United States \$ _____.
This draft is drawn under Irrevocable Letter of Credit No. _____.

[Beneficiary Agency]

By: _____

(End of clause)

52.228-16 PERFORMANCE AND PAYMENT BONDS--OTHER THAN CONSTRUCTION (NOV 2006)

(a) Definitions. As used in this clause--

"Original contract price" - For purposes of establishing penal amounts, the original contract price is defined as the sum of the price under the "Amount" column in Section B for Contract Line Item Number(s) at contract award; or for requirements contracts, the price payable for the estimated quantity; or for indefinite-delivery type contracts, the price payable for the specified minimum quantity. Original contract price does not include the price of any options, except those options exercised at the time of contract award.

(b) The Contractor shall furnish a performance bond (Standard Form 1418) for the protection of the Government in an amount equal to \$2,000,000 and a payment bond (Standard Form 1416) in an amount equal to \$2,000,000.

(c) The Contractor shall furnish all executed bonds, including any necessary reinsurance agreements, to the Contracting Officer, within 10 days of Contract Award but in any event, before starting work. Failure to provide the bonds may result in a termination for default.

(d) The Government may require additional performance and payment bond protection when the contract price is increased, including option exercise. The Government may secure additional protection by directing the Contractor to increase the penal amounts of the existing bonds or to obtain additional bonds.

(e) The bonds shall be in the form of firm commitment, supported by corporate sureties whose names appear on the list contained in Treasury Department Circular 570, individual sureties, or by other acceptable security such as postal money order, certified check, cashier's check, irrevocable letter of credit, or, in accordance with Treasury Department regulations, certain bonds on notes of the United States. Treasury Circular 570 is published in the Federal Register, or may be obtained from the U.S. Department of Treasury, Financial Management Service, Surety Bond Branch, 401 14th Street, N.W., 2nd Floor, West Wing, Washington, DC 20227

(f) The surety or sureties of such bonds shall be acceptable to the Contracting Officer in accordance with the requirements of FAR Subpart 28.2. If the Contractor chooses to submit a permissible alternative type of security listed in FAR 28.204 in lieu of a corporate or individual surety for the bond, the Contractor shall utilize the appropriate bond forms (i.e., SF 1418 and SF 1416), together with the alternative security. In accordance with FAR 28.204, the Contractor shall execute the bond forms as principal and a statement shall be incorporated in the bond form pledging the security.

(End of Clause)

NAVSEA 5252.217-9121 INDEMNIFICATION FOR ACCESS TO VESSEL (MAY 1989)

Notwithstanding any provision in the "ACCESS TO VESSEL" clause (DFARS 252.217-7011), or any other clause of the contract, the Contractor agrees to allow officers, employees, and associates of the Government, or other prime contractors with the Government and their subcontractors, and officers, employees, and associates of offerors on other contemplated work, admission to the Contractor's facilities and access to the vessel without any further request for indemnification from any party, which has not been previously included in the contract price.

5252.233-9103 DOCUMENTATION OF REQUESTS FOR EQUITABLE ADJUSTMENT (APR 1999)

(a) For the purposes of this special contract requirement, the term "change" includes not only a change that is made pursuant to a written order designated as a "change order" but also (1) an engineering change proposed by the Government or by the Contractor and (2) any act or omission to act on the part of the Government in respect of which a request is made for equitable adjustment.

(b) Whenever the Contractor requests or proposes an equitable adjustment of \$100,000 or more per vessel in respect to a change made pursuant to a written order designated as a "change order" or in respect to a proposed engineering change and whenever the Contractor requests an equitable adjustment in any amount in respect to any

other act or omission to act on the part of the Government, the proposal supporting such request shall contain the following information for each individual item or element of the request:

(1) A description (i) of the work required by the contract before the change, which has been deleted by the change, and (ii) of the work deleted by the change which already has been completed. The description is to include a list of components, equipment, and other identifiable property involved. Also, the status of manufacture, procurement, or installation of such property is to be indicated. Separate description is to be furnished for design and production work. Items of raw material, purchased parts, components and other identifiable hardware, which are made excess by the change and which are not to be retained by the Contractor, are to be listed for later disposition;

(2) Description of work necessary to undo work already completed which has been deleted by the change;

(3) Description of work not required by the terms hereof before the change, which is substituted or added by the change. A list of components and equipment (not bulk materials or items) involved should be included. Separate descriptions are to be furnished for design work and production work;

(4) Description of interference and inefficiencies in performing the change;

(5) Description of each element of disruption and exactly how work has been, or will be disrupted:

(i) The calendar period of time during which disruption occurred, or will occur;

(ii) Area(s) aboard the vessel where disruption occurred, or will occur;

(iii) Trade(s) disrupted, with a breakdown of manhours for each trade;

(iv) Scheduling of trades before, during, and after period of disruption;

(v) Description of measures taken to lessen the disruptive effect of the change;

(6) Delay in delivery attributable solely to the change;

(7) Other work attributable to the change;

(8) Supplementing the foregoing, a narrative statement of the direct "causal" relationship between any alleged Government act or omission and the claimed consequences therefor, cross referenced to the detailed information provided as required above; and

(9) A statement setting forth a comparative enumeration of the amounts "budgeted" for the cost elements, including the material costs, labor hours and pertinent indirect costs, estimated by the Contractor in preparing its initial and ultimate proposal(s) for this contract, and the amounts claimed to have been incurred and/or projected to be incurred corresponding to each such "budgeted cost" elements.

(c) Each proposal in excess of \$100,000 submitted in support of a claim for equitable adjustment under any requirement of this contract shall, in addition to the information required by paragraph (b) hereof, contain such information as the Contracting Officer may require with respect to each individual claim item.

(d) It is recognized that individual claims for equitable adjustment may not include all of the factors listed in paragraph (b) above. Accordingly, the Contractor is required to set forth in its proposal information only with respect to those factors which are comprehended in the individual claim for equitable adjustment. In any event, the information furnished hereunder shall be in sufficient detail to permit the Contracting Officer to cross-reference the claimed increased costs, or delay in delivery, or both, as appropriate, submitted pursuant to paragraph (c) of this requirement, with the information submitted pursuant to paragraph (b) hereof.

5252.233 9107 EQUITABLE ADJUSTMENTS: WAIVER AND RELEASE OF CLAIMS (AT) (JAN 1983)

(a) Whenever the Contractor, after receipt of a change made pursuant to the clause of this contract entitled "CHANGES" or after affirmation of a constructive change under the "NOTIFICATION OF CHANGES" (FAR 52.243-7) requirement, submits any claim for equitable adjustment under the foregoing, such claim shall include all types of adjustments in the total amounts to which the foregoing entitle the Contractor, including but not limited to adjustments arising out of delays or disruptions or both caused by such change.

(b) Further, the Contractor agrees (except as the parties may otherwise agree) that, if required by the Contracting Officer, it will execute a release, in form and substance satisfactory to the Contracting Officer, as part of the supplemental agreement setting forth the aforesaid equitable adjustment, and that such release shall discharge the Government, its officers, agents and employees, from any further claims including but not limited to further claims arising out of delays or disruptions or both, caused by the aforesaid change.

5252.237-9106 SUBSTITUTION OF PERSONNEL (SEP 1990)

(a) The Contractor agrees that a partial basis for award of this contract is the list of key personnel proposed. Accordingly, the Contractor agrees to assign to this contract those key persons whose resumes were submitted with the proposal necessary to fulfill the requirements of the contract. No substitution shall be made without prior notification to and concurrence of the Contracting Officer in accordance with this requirement.

(b) All proposed substitutes shall have qualifications equal to or higher than the qualifications of the person to be replaced. The Contracting Officer shall be notified in writing of any proposed substitution at least forty five (45) days, or ninety (90) days if a security clearance is to be obtained, in advance of the proposed substitution. Such notification shall include: (1) an explanation of the circumstances necessitating the substitution; (2) a complete resume of the proposed substitute; and (3) any other information requested by the Contracting Officer to enable him/her to judge whether or not the Contractor is maintaining the same high quality of personnel that provided the partial basis for award.

5252.247-9110 TUG AND PILOT SERVICES (SEP 1990)

The Contractor shall provide necessary tug and pilot services to move the vessel(s) from the fairway of the plant to the pier or dock, and upon completion of all work from the pier or dock, to the fairway of the plant.

Section I - Contract Clauses

CLAUSES INCORPORATED BY REFERENCE

52.202-1	Definitions	JAN 2012
52.203-3	Gratuities	APR 1984
52.203-5	Covenant Against Contingent Fees	APR 1984
52.203-6	Restrictions On Subcontractor Sales To The Government	SEP 2006
52.203-7	Anti-Kickback Procedures	OCT 2010
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	JAN 1997
52.203-10	Price Or Fee Adjustment For Illegal Or Improper Activity	JAN 1997
52.203-12	Limitation On Payments To Influence Certain Federal Transactions	OCT 2010
52.204-2	Security Requirements	AUG 1996
52.204-4	Printed or Copied Double-Sided on Postconsumer Fiber Content Paper	MAY 2011
52.209-6	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment	DEC 2010
52.211-5	Material Requirements	AUG 2000
52.211-15	Defense Priority And Allocation Requirements	APR 2008
52.215-2	Audit and Records--Negotiation	OCT 2010
52.215-8	Order of Precedence--Uniform Contract Format	OCT 1997
52.215-11	Price Reduction for Defective Certified Cost or Pricing Data--Modifications	AUG 2011
52.215-12	Subcontractor Certified Cost or Pricing Data	OCT 2010
52.215-13	Subcontractor Certified Cost or Pricing Data--Modifications	OCT 2010
52.215-14	Integrity of Unit Prices	OCT 2010
52.215-15	Pension Adjustments and Asset Reversions	OCT 2010
52.215-17	Waiver of Facilities Capital Cost of Money	OCT 1997
52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other than Pensions	JUL 2005
52.219-4	Notice of Price Evaluation Preference for HUBZone Small Business Concerns	JAN 2011
52.219-8	Utilization of Small Business Concerns	JAN 2011
52.219-9	Small Business Subcontracting Plan	JAN 2011
52.219-14	Limitations On Subcontracting	NOV 2011
52.219-16	Liquidated Damages-Subcontracting Plan	JAN 1999
52.219-28	Post-Award Small Business Program Rerepresentation	APR 2009
52.222-1	Notice To The Government Of Labor Disputes	FEB 1997
52.222-19	Child Labor -- Cooperation with Authorities and Remedies	MAR 2012
52.222-20	Walsh-Healey Public Contracts Act	OCT 2010
52.222-21	Prohibition Of Segregated Facilities	FEB 1999
52.222-26	Equal Opportunity	MAR 2007
52.222-35	Equal Opportunity for Veterans	SEP 2010
52.222-37	Employment Reports on Veterans	SEP 2010
52.223-3	Hazardous Material Identification And Material Safety Data	JAN 1997
52.223-5	Pollution Prevention and Right-to-Know Information	MAY 2011
52.223-6	Drug-Free Workplace	MAY 2001
52.223-11	Ozone-Depleting Substances	MAY 2001
52.223-12	Refrigeration Equipment and Air Conditioners	MAY 1995
52.225-13	Restrictions on Certain Foreign Purchases	JUN 2008

52.227-1	Authorization and Consent	DEC 2007
52.227-2	Notice And Assistance Regarding Patent And Copyright Infringement	DEC 2007
52.227-10	Filing Of Patent Applications--Classified Subject Matter	DEC 2007
52.227-14	Rights in Data--General	DEC 2007
52.227-17	Rights In Data-Special Works	DEC 2007
52.229-3	Federal, State And Local Taxes	APR 2003
52.232-1	Payments	APR 1984
52.232-8	Discounts For Prompt Payment	FEB 2002
52.232-9	Limitation On Withholding Of Payments	APR 1984
52.232-11	Extras	APR 1984
52.232-16	Progress Payments	APR 2012
52.232-17	Interest	OCT 2010
52.232-23	Assignment Of Claims	JAN 1986
52.232-25	Prompt Payment	OCT 2008
52.232-33	Payment by Electronic Funds Transfer--Central Contractor Registration	OCT 2003
52.233-1 Alt I	Disputes (Jul 2002) - Alternate I	DEC 1991
52.233-3	Protest After Award	AUG 1996
52.233-4	Applicable Law for Breach of Contract Claim	OCT 2004
52.234-1	Industrial Resources Developed Under Defense Production Act Title III	DEC 1994
52.236-7	Permits and Responsibilities	NOV 1991
52.242-13	Bankruptcy	JUL 1995
52.243-1 Alt I	Changes--Fixed Price (Aug 1987) - Alternate I	APR 1984
52.244-5	Competition In Subcontracting	DEC 1996
52.244-6	Subcontracts for Commercial Items	DEC 2010
52.245-1	Government Property	APR 2012
52.245-9	Use And Charges	APR 2012
52.246-23	Limitation Of Liability	FEB 1997
52.246-25	Limitation Of Liability--Services	FEB 1997
52.247-68	Report of Shipment (REPSHIP)	FEB 2006
52.248-1	Value Engineering	OCT 2010
52.249-2	Termination For Convenience Of The Government (Fixed-Price)	APR 2012
52.249-8	Default (Fixed-Price Supply & Service)	APR 1984
52.251-1	Government Supply Sources	APR 2012
52.252-2	Clauses Incorporated By Reference	FEB 1998
52.253-1	Computer Generated Forms	JAN 1991
252.201-7000	Contracting Officer's Representative	DEC 1991
252.203-7001	Prohibition On Persons Convicted of Fraud or Other Defense-Contract-Related Felonies	DEC 2008
252.203-7002	Requirement to Inform Employees of Whistleblower Rights	JAN 2009
252.204-7000	Disclosure Of Information	DEC 1991
252.204-7003	Control Of Government Personnel Work Product	APR 1992
252.204-7004 Alt A	Central Contractor Registration Alternate A	SEP 2007
252.204-7005	Oral Attestation of Security Responsibilities	NOV 2001
252.205-7000	Provision Of Information To Cooperative Agreement Holders	DEC 1991
252.209-7004	Subcontracting With Firms That Are Owned or Controlled By The Government of a Terrorist Country	DEC 2006
252.211-7003	Item Identification and Valuation	JUN 2011
252.215-7000	Pricing Adjustments	DEC 1991
252.215-7002	Cost Estimating System Requirements	FEB 2012
252.219-7003	Small Business Subcontracting Plan (DOD Contracts)	SEP 2011

252.223-7004	Drug Free Work Force	SEP 1988
252.225-7001	Buy American Act And Balance Of Payments Program	OCT 2011
252.225-7002	Qualifying Country Sources As Subcontractors	APR 2003
252.225-7004	Report of Intended Performance Outside the United States and Canada--Submission after Award	OCT 2010
252.225-7006	Quarterly Reporting of Actual Contract Performance Outside the United States	OCT 2010
252.225-7007	Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies	SEP 2006
252.225-7012	Preference For Certain Domestic Commodities	JUN 2010
252.225-7013	Duty-Free Entry	DEC 2009
252.225-7015	Restriction on Acquisition of Hand Or Measuring Tools	JUN 2005
252.225-7016	Restriction On Acquisition Of Ball and Roller Bearings	JUN 2011
252.225-7019	Restriction on Acquisition of Anchor and Mooring Chain	DEC 2009
252.225-7025	Restriction on Acquisition of Forgings	DEC 2009
252.225-7030	Restriction On Acquisition Of Carbon, Alloy, And Armor Steel Plate	DEC 2006
252.226-7001	Utilization of Indian Organizations and Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns	SEP 2004
252.227-7013	Rights in Technical Data--Noncommercial Items	FEB 2012
252.227-7014	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation	FEB 2012
252.227-7015	Technical Data--Commercial Items	DEC 2011
252.227-7016	Rights in Bid or Proposal Information	JAN 2011
252.227-7019	Validation of Asserted Restrictions--Computer Software	SEP 2011
252.227-7025	Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends	MAR 2011
252.227-7030	Technical Data--Withholding Of Payment	MAR 2000
252.227-7037	Validation of Restrictive Markings on Technical Data	SEP 2011
252.232-7003	Electronic Submission of Payment Requests and Receiving Reports	MAR 2008
252.232-7004	DOD Progress Payment Rates	OCT 2001
252.232-7010	Levies on Contract Payments	DEC 2006
252.242-7004	Material Management And Accounting System	MAY 2011
252.243-7001	Pricing Of Contract Modifications	DEC 1991
252.243-7002	Requests for Equitable Adjustment	MAR 1998
252.244-7000	Subcontracts for Commercial Items and Commercial Components (DoD Contracts)	SEP 2011
252.246-7000	Material Inspection And Receiving Report	MAR 2008

CLAUSES INCORPORATED BY FULL TEXT

52.215-19 NOTIFICATION OF OWNERSHIP CHANGES (OCT 1997)

(a) The Contractor shall make the following notifications in writing:

(1) When the Contractor becomes aware that a change in its ownership has occurred, or is certain to occur, that could result in changes in the valuation of its capitalized assets in the accounting records, the Contractor shall notify the Administrative Contracting Officer (ACO) within 30 days.

(2) The Contractor shall also notify the ACO within 30 days whenever changes to asset valuations or any other cost

changes have occurred or are certain to occur as a result of a change in ownership.

(b) The Contractor shall--

- (1) Maintain current, accurate, and complete inventory records of assets and their costs;
- (2) Provide the ACO or designated representative ready access to the records upon request;
- (3) Ensure that all individual and grouped assets, their capitalized values, accumulated depreciation or amortization, and remaining useful lives are identified accurately before and after each of the Contractor's ownership changes; and
- (4) Retain and continue to maintain depreciation and amortization schedules based on the asset records maintained before each Contractor ownership change.

The Contractor shall include the substance of this clause in all subcontracts under this contract that meet the applicability requirement of FAR 15.408(k).

(End of clause)

52.215-21 REQUIREMENTS FOR CERTIFIED COST OR PRICING DATA OR INFORMATION OTHER THAN CERTIFIED COST OR PRICING DATA--MODIFICATIONS (OCT 2010)

(a) Exceptions from certified cost or pricing data.

(1) In lieu of submitting certified cost or pricing data for modifications under this contract, for price adjustments expected to exceed the threshold set forth at FAR 15.403-4 on the date of the agreement on price or the date of the award, whichever is later, the Contractor may submit a written request for exception by submitting the information described in the following subparagraphs. The Contracting Officer may require additional supporting information, but only to the extent necessary to determine whether an exception should be granted, and whether the price is fair and reasonable--

(i) Identification of the law or regulation establishing the price offered. If the price is controlled under law by periodic rulings, reviews, or similar actions of a governmental body, attach a copy of the controlling document, unless it was previously submitted to the contracting office.

(ii) Information on modifications of contracts or subcontracts for commercial items.

(A) If--

(1) The original contract or subcontract was granted an exception from certified cost or pricing data requirements because the price agreed upon was based on adequate price competition or prices set by law or regulation, or was a contract or subcontract for the acquisition of a commercial item; and

(2) The modification (to the contract or subcontract) is not exempted based on one of these exceptions, then the Contractor may provide information to establish that the modification would not change the contract or subcontract from a contract or subcontract for the acquisition of a commercial item to a contract or subcontract for the acquisition of an item other than a commercial item.

(B) For a commercial item exception, the Contractor shall provide, at a minimum, information on prices at which the same item or similar items have previously been sold that is adequate for evaluating the reasonableness of the price of the modification. Such information may include--

(1) For catalog items, a copy of or identification of the catalog and its date, or the appropriate pages for the offered items, or a statement that the catalog is on file in the buying office to which the proposal is being submitted. Provide a copy or describe current discount policies and price lists (published or unpublished), e.g., wholesale, original equipment manufacturer, or reseller. Also explain the basis of each offered price and its relationship to the established catalog price, including how the proposed price relates to the price of recent sales in quantities similar to the proposed quantities.

(2) For market-priced items, the source and date or period of the market quotation or other basis for market price, the base amount, and applicable discounts. In addition, describe the nature of the market.

(3) For items included on an active Federal Supply Service Multiple Award Schedule contract, proof that an exception has been granted for the schedule item.

(2) The Contractor grants the Contracting Officer or an authorized representative the right to examine, at any time before award, books, records, documents, or other directly pertinent records to verify any request for an exception under this clause, and the reasonableness of price. For items priced using catalog or market prices, or law or regulation, access does not extend to cost or profit information or other data relevant solely to the Contractor's determination of the prices to be offered in the catalog or marketplace.

(b) Requirements for certified cost or pricing data. If the Contractor is not granted an exception from the requirement to submit certified cost or pricing data, the following applies:

(1) The Contractor shall submit certified cost or pricing data, data other than certified cost or pricing data, and supporting attachments in accordance with the instructions contained in Table 15-2 of FAR 15.408, which is incorporated by reference with the same force and effect as though it were inserted here in full text. The instructions in Table 15-2 are incorporated as a mandatory format to be used in this contract, unless the Contracting Officer and the Contractor agree to a different format and change this clause to use Alternate I.

As soon as practicable after agreement on price, but before award (except for unpriced actions), the Contractor shall submit a Certificate of Current Cost or Pricing Data, as prescribed by FAR 15.406-2.

(End of clause)

52.216-18 ORDERING. (OCT 1995)

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from **Date of Award** through **60 months thereafter**.

(b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.

(c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.

(End of clause)

52.216-19 ORDER LIMITATIONS. (OCT 1995)

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than **one carrier**(insert dollar figure or quantity), the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

(b) Maximum order. The Contractor is not obligated to honor:

(1) Any order for a single item in excess of **six carrier**

(2) Any order for a combination of items in excess of **six carriers** or

(3) A series of orders from the same ordering office within **60** days that together call for quantities exceeding the limitation in subparagraph (1) or (2) above.

(c) If this is a requirements contract (i.e., includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR)), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) above.

(d) Notwithstanding paragraphs (b) and (c) above, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within **60** days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

(End of clause)

52.243-7 NOTIFICATION OF CHANGES (APR 1984)

(a) Definitions.

"Contracting Officer," as used in this clause, does not include any representative of the Contracting Officer.

"Specifically authorized representative (SAR)," as used in this clause, means any person the Contracting Officer has so designated by written notice (a copy of which shall be provided to the Contractor) which shall refer to this subparagraph and shall be issued to the designated representative before the SAR exercises such authority.

(b) Notice. The primary purpose of this clause is to obtain prompt reporting of Government conduct that the Contractor considers to constitute a change to this contract. Except for changes identified as such in writing and signed by the Contracting Officer, the Contractor shall notify the Administrative Contracting Officer in writing, within calendar days from the date that the Contractor identifies any Government conduct (including actions, inactions, and written or oral communications) that the Contractor regards as a change to the contract terms and conditions. On the basis of the most accurate information available to the Contractor, the notice shall state--

(1) The date, nature, and circumstances of the conduct regarded as a change;

(2) The name, function, and activity of each Government individual and Contractor official or employee involved in or knowledgeable about such conduct;

(3) The identification of any documents and the substance of any oral communication involved in such conduct;

(4) In the instance of alleged acceleration of scheduled performance or delivery, the basis upon which it arose;

(5) The particular elements of contract performance for which the Contractor may seek an equitable adjustment

under this clause, including--

- (i) What contract line items have been or may be affected by the alleged change;
- (ii) What labor or materials or both have been or may be added, deleted, or wasted by the alleged change;
- (iii) To the extent practicable, what delay and disruption in the manner and sequence of performance and effect on continued performance have been or may be caused by the alleged change;
- (iv) What adjustments to contract price, delivery schedule, and other provisions affected by the alleged change are estimated; and

(6) The Contractor's estimate of the time by which the Government must respond to the Contractor's notice to minimize cost, delay or disruption of performance.

(c) Continued performance. Following submission of the notice required by (b) above, the Contractor shall diligently continue performance of this contract to the maximum extent possible in accordance with its terms and conditions as construed by the Contractor, unless the notice reports a direction of the Contracting Officer or a communication from a SAR of the Contracting Officer, in either of which events the Contractor shall continue performance; provided, however, that if the Contractor regards the direction or communication as a change as described in (b) above, notice shall be given in the manner provided. All directions, communications, interpretations, orders and similar actions of the SAR shall be reduced to writing and copies furnished to the Contractor and to the Contracting Officer. The Contracting Officer shall countermand any action which exceeds the authority of the SAR.

(d) Government response. The Contracting Officer shall promptly, within _____ calendar days after receipt of notice, respond to the notice in writing. In responding, the Contracting Officer shall either--

- (1) Confirm that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance;
- (2) Countermand any communication regarded as a change;
- (3) Deny that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance; or
- (4) In the event the Contractor's notice information is inadequate to make a decision under (1), (2), or (3) above, advise the Contractor what additional information is required, and establish the date by which it should be furnished and the date thereafter by which the Government will respond.

(e) Equitable adjustments.

(1) If the Contracting Officer confirms that Government conduct effected a change as alleged by the Contractor, and the conduct causes an increase or decrease in the Contractor's cost of, or the time required for, performance of any part of the work under this contract, whether changed or not changed by such conduct, an equitable adjustment shall be made--

- (i) In the contract price or delivery schedule or both; and
- (ii) In such other provisions of the contract as may be affected.

(2) The contract shall be modified in writing accordingly. In the case of drawings, designs or specifications which are defective and for which the Government is responsible, the equitable adjustment shall include the cost and time extension for delay reasonably incurred by the Contractor in attempting to comply with the defective drawings,

designs or specifications before the Contractor identified, or reasonably should have identified, such defect. When the cost of property made obsolete or excess as a result of a change confirmed by the Contracting Officer under this clause is included in the equitable adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of the property. The equitable adjustment shall not include increased costs or time extensions for delay resulting from the Contractor's failure to provide notice or to continue performance as provided, respectively, in (b) and (c) above.

Note: The phrases "contract price" and "cost" wherever they appear in the clause, may be appropriately modified to apply to cost-reimbursement or incentive contracts, or to combinations thereof.

(End of clause)

52.252-6 AUTHORIZED DEVIATIONS IN CLAUSES (APR 1984)

(a) The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the clause.

(b) The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

(End of clause)

252.211-7005 SUBSTITUTIONS FOR MILITARY OR FEDERAL SPECIFICATIONS AND STANDARDS (NOV 2005)

(a) Definition. "SPI process," as used in this clause, means a management or manufacturing process that has been accepted previously by the Department of Defense under the Single Process Initiative (SPI) for use in lieu of a specific military or Federal specification or standard at specific facilities. Under SPI, these processes are reviewed and accepted by a Management Council, which includes representatives of the Contractor, the Defense Contract Management Agency, the Defense Contract Audit Agency, and the military departments.

(b) Offerors are encouraged to propose SPI processes in lieu of military or Federal specifications and standards cited in the solicitation. A listing of SPI processes accepted at specific facilities is available via the Internet at http://guidebook.dcmam.mil/20/guidebook_process.htm (paragraph 4.2).

(c) An offeror proposing to use an SPI process in lieu of military or Federal specifications or standards cited in the solicitation shall--

- (1) Identify the specific military or Federal specification or standard for which the SPI process has been accepted;
- (2) Identify each facility at which the offeror proposes to use the specific SPI process in lieu of military or Federal specifications or standards cited in the solicitation;
- (3) Identify the contract line items, subline items, components, or elements affected by the SPI process; and
- (4) If the proposed SPI process has been accepted at the facility at which it is proposed for use, but is not yet listed at the Internet site specified in paragraph (b) of this clause, submit documentation of Department of Defense acceptance of the SPI process.

(d) Absent a determination that an SPI process is not acceptable for this procurement, the Contract shall use the following SPI processes in lieu of military or Federal specifications or standards:

(Offeror insert information for each SPI process)

SPI Process: _____

Facility: _____

Military or Federal Specification or Standard: _____

Affected Contract Line Item Number, Subline Item Number, Component, or Element: _____

(e) If a prospective offeror wishes to obtain, prior to the time specified for receipt of offers, verification that an SPI process is an acceptable replacement for military or Federal specifications or standards required by the solicitation, the prospective offeror--

(1) May submit the information required by paragraph (d) of this clause to the Contracting Officer prior to submission of an offer; but

(2) Must submit the information to the Contracting Officer at least 10 working days prior to the date specified for receipt of offers.

(End of clause)

252.246-7001 WARRANTY OF DATA (DEC 1991)

(a) Definition. "Technical data" has the same meaning as given in the clause in this contract entitled, Rights in Technical Data and Computer Software.

(b) Warranty. Notwithstanding inspection and acceptance by the Government of technical data furnished under this contract, and notwithstanding any provision of this contract concerning the conclusiveness of acceptance, the Contractor warrants that all technical data delivered under this contract will at the time of delivery conform with the specifications and all other requirements of this contract. The warranty period shall extend for three years after completion of the delivery of the line item of data (as identified in DD Form 1423, Contract Data Requirements List) of which the data forms a part; or any longer period specified in the contract.

(c) Contractor Notification. The Contractor agrees to notify the Contracting Officer in writing immediately of any breach of the above warranty which the Contractor discovers within the warranty period.

(d) Remedies. The following remedies shall apply to all breaches of the warranty, whether the Contractor notifies the Contracting Officer in accordance with paragraph (c) of this clause or if the Government notifies the Contractor of the breach in writing within the warranty period:

(1) Within a reasonable time after such notification, the Contracting Officer may--

(i) By written notice, direct the Contractor to correct or replace at the Contractor's expense the nonconforming technical data promptly; or

(ii) If the Contracting Officer determines that the Government no longer has a requirement for correction or

replacement of the data, or that the data can be more reasonably corrected by the Government, inform the Contractor by written notice that the Government elects a price or fee adjustment instead of correction or replacement.

(2) If the Contractor refuses or fails to comply with a direction under paragraph (d)(1)(i) of this clause, the Contracting Officer may - within a reasonable time of the refusal or failure--

(i) By contract or otherwise, correct or replace the nonconforming technical data and charge the cost to the Contractor; or

(ii) Elect a price or fee adjustment instead of correction or replacement.

(3) The remedies in this clause represent the only way to enforce the Government's rights under this clause.

(e) The provisions of this clause apply anew to that portion of any corrected or replaced technical data furnished to the Government under paragraph (d)(1)(i) of this clause.

(End of clause)

252.247-7023 Transportation of Supplies by Sea (MAY 2002)

(a) Definitions. As used in this clause --

(1) "Components" means articles, materials, and supplies incorporated directly into end products at any level of manufacture, fabrication, or assembly by the Contractor or any subcontractor.

(2) "Department of Defense" (DoD) means the Army, Navy, Air Force, Marine Corps, and defense agencies.

(3) "Foreign flag vessel" means any vessel that is not a U.S.-flag vessel.

(4) "Ocean transportation" means any transportation aboard a ship, vessel, boat, barge, or ferry through international waters.

(5) "Subcontractor" means a supplier, materialman, distributor, or vendor at any level below the prime contractor whose contractual obligation to perform results from, or is conditioned upon, award of the prime contract and who is performing any part of the work or other requirement of the prime contract.

(6) "Supplies" means all property, except land and interests in land, that is clearly identifiable for eventual use by or owned by the DoD at the time of transportation by sea.

(i) An item is clearly identifiable for eventual use by the DoD if, for example, the contract documentation contains a reference to a DoD contract number or a military destination.

(ii) "Supplies" includes (but is not limited to) public works; buildings and facilities; ships; floating equipment and vessels of every character, type, and description, with parts, subassemblies, accessories, and equipment; machine tools; material; equipment; stores of all kinds; end items; construction materials; and components of the foregoing.

(7) "U.S.-flag vessel" means a vessel of the United States or belonging to the United States, including any vessel registered or having national status under the laws of the United States.

(b)(1) The Contractor shall use U.S.-flag vessels when transporting any supplies by sea under this contract.

(2) A subcontractor transporting supplies by sea under this contract shall use U.S.-flag vessels if--

(i) This contract is a construction contract; or

(ii) The supplies being transported are--

(A) Noncommercial items; or

(B) Commercial items that--

(1) The Contractor is reselling or distributing to the Government without adding value (generally, the Contractor does not add value to items that it contracts for f.o.b. destination shipment);

(2) Are shipped in direct support of U.S. military contingency operations, exercises, or forces deployed in humanitarian or peacekeeping operations; or

(3) Are commissary or exchange cargoes transported outside of the Defense Transportation System in accordance with 10 U.S.C. 2643.

(c) The Contractor and its subcontractors may request that the Contracting Officer authorize shipment in foreign-flag vessels, or designate available U.S.-flag vessels, if the Contractor or a subcontractor believes that --

(1) U.S.-flag vessels are not available for timely shipment;

(2) The freight charges are inordinately excessive or unreasonable; or

(3) Freight charges are higher than charges to private persons for transportation of like goods.

(d) The Contractor must submit any request for use of other than U.S.-flag vessels in writing to the Contracting Officer at least 45 days prior to the sailing date necessary to meet its delivery schedules. The Contracting Officer will process requests submitted after such date(s) as expeditiously as possible, but the Contracting Officer's failure to grant approvals to meet the shipper's sailing date will not of itself constitute a compensable delay under this or any other clause of this contract. Requests shall contain at a minimum --

(1) Type, weight, and cube of cargo;

(2) Required shipping date;

(3) Special handling and discharge requirements;

(4) Loading and discharge points;

(5) Name of shipper and consignee;

(6) Prime contract number; and

(7) A documented description of efforts made to secure U.S.-flag vessels, including points of contact (with names and telephone numbers) with at least two U.S.-flag carriers contacted. Copies of telephone notes, telegraphic and facsimile message or letters will be sufficient for this purpose.

(e) The Contractor shall, within 30 days after each shipment covered by this clause, provide the Contracting Officer and the Maritime Administration, Office of Cargo Preference, U.S. Department of Transportation, 400 Seventh Street SW., Washington, DC 20590, one copy of the rated on board vessel operating carrier's ocean bill of lading, which shall contain the following information:

- (1) Prime contract number;
- (2) Name of vessel;
- (3) Vessel flag of registry;
- (4) Date of loading;
- (5) Port of loading;
- (6) Port of final discharge;
- (7) Description of commodity;
- (8) Gross weight in pounds and cubic feet if available;
- (9) Total ocean freight in U.S. dollars; and
- (10) Name of the steamship company.

(f) The Contractor shall provide with its final invoice under this contract a representation that to the best of its knowledge and belief--

- (1) No ocean transportation was used in the performance of this contract;
- (2) Ocean transportation was used and only U.S.-flag vessels were used for all ocean shipments under the contract;
- (3) Ocean transportation was used, and the Contractor had the written consent of the Contracting Officer for all non-U.S.-flag ocean transportation; or
- (4) Ocean transportation was used and some or all of the shipments were made on non-U.S.-flag vessels without the written consent of the Contracting Officer. The Contractor shall describe these shipments in the following format:

ITEM DESCRIPTION	CONTRACT LINE ITEMS	QUANTITY
_____	_____	_____
_____	_____	_____
_____	_____	_____
TOTAL	_____	_____

(g) If the final invoice does not include the required representation, the Government will reject and return it to the Contractor as an improper invoice for the purposes of the Prompt Payment clause of this contract. In the event there has been unauthorized use of non-U.S.-flag vessels in the performance of this contract, the Contracting Officer is entitled to equitably adjust the contract, based on the unauthorized use.

(h) In the award of subcontracts for the types of supplies described in paragraph (b)(2) of this clause, the Contractor shall flow down the requirements of this clause as follows:

- (1) The Contractor shall insert the substance of this clause, including this paragraph (h), in subcontracts that exceed the simplified acquisition threshold in part 2 of the Federal Acquisition Regulation.
- (2) The Contractor shall insert the substance of paragraphs (a) through (e) of this clause, and this paragraph (h), in subcontracts that are at or below the simplified acquisition threshold in part 2 of the Federal Acquisition Regulation.

(End of clause)

252.247-7024 Notification of Transportation of Supplies by Sea (MAR 2000)

(a) The Contractor has indicated by the response to the solicitation provision, Representation of Extent of Transportation by Sea, that it did not anticipate transporting by sea any supplies. If, however, after the award of this contract, the Contractor learns that supplies, as defined in the Transportation of Supplies by Sea clause of this contract, will be transported by sea, the Contractor --

(1) Shall notify the Contracting Officer of that fact; and

(2) Hereby agrees to comply with all the terms and conditions of the Transportation of Supplies by Sea clause of this contract.

(b) The Contractor shall include this clause; including this paragraph (b), revised as necessary to reflect the relationship of the contracting parties--

(1) In all subcontracts under this contract, if this contract is a construction contract; or

(2) If this contract is not a construction contract, in all subcontracts under this contract that are for--

(i) Noncommercial items; or

(ii) Commercial items that--

(A) The Contractor is reselling or distributing to the Government without adding value (generally, the Contractor does not add value to items that it subcontracts for f.o.b. destination shipment);

(B) Are shipped in direct support of U.S. military contingency operations, exercises, or forces deployed in humanitarian or peacekeeping operations; or

(C) Are commissary or exchange cargoes transported outside of the Defense Transportation System in accordance with 10 U.S.C. 2643.

(End of clause)

Section J - List of Documents, Exhibits and Other Attachments

LIST OF ATTACHMENTS

List of Documents, Exhibits and Other Attachments

(a) The following documents, exhibits, and other attachments form a part of this contract:

J-1 Contract Data Requirements List, DD Form 1423, Exhibit A and General DD Form 1423 Glossary, 7 pages.

J-2 Operational Plan (Section C-1.9) [to be incorporated at the time of award]

J-3 Schedule for CLIN (Section C-1.5) [to be incorporated at the time of award]

J-4 Environmental Management Plan (Section C-1.10 and C-1.11) [to be incorporated at the time of award]

J-5 Safety and Health Management Plan (Section C-1.12) [to be incorporated at the time of award]

J-6 Environmental and Safety Information, Instructions, Terms and Conditions

J-7 Security Management Plan (Section C-2.1.3) [to be incorporated at the time of award]

J-8 Past Performance Questionnaire

(b) Attachments Incorporated into each Contract/Delivery Order

(1) The contracts/delivery orders awarded as a result of this solicitation shall consist of the following sections of this solicitation, and the documents, exhibits, and attachments described in the paragraph below:

- (i) Part I The Schedule (Sections A through H)
- (ii) Part II Contract Clauses (Section I)
- (iii) Part III List of Documents, Exhibits and other Attachments (Section J)

(a) (2) Part IV of the solicitation shall not be incorporated physically into the contracts/delivery orders, however, Section K, 『Representations, Certifications and Other Statements of Offerors』 shall be retained in the contract file, and acceptance of a proposal under this contract shall incorporate Section K by reference in the resultant contracts/delivery orders.